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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation; Plaintiffs, vs. GERALD ARMSTRONG; MICHAEL WALTON; et al., Defendants.	CASE NO. 157 680 CHURCH OF SCIENTOLOGY INTERNATIONAL'S EVIDENCE IN SUPPORT OF MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO GERALD ARMSTRONG'S MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR SUMMARY ADJUDICATION OF ISSUES DATE: September 9, 1994 TIME: 9:00 a.m. DEPT: 1
GERALD ARMSTRONG, Cross-Complainant, vs. CHURCH OF SCIENTOLOGY INTERNATIONAL, a California Corporation; DAVID MISCAVIGE; DOES 1 to 100; Cross-Defendant.	TRIAL DATE: September 29, 1994

INDEX TO EXHIBITS

EXHIBIT 1: Declaration of Attorney Laurie J. Bartilson Authenticating Deposition Transcripts and Documents

Exhibit 1(A): Excerpts from Volumes 1-5 of the Deposition of Gerald Armstrong taken in Church of Scientology International v. Gerald Armstrong, et al., Los Angeles Superior Court Case No. BC 052395.

Exhibit 1(A)(6): Mutual Release of All Claims and Settlement Agreement, exhibit to Armstrong deposition.

Exhibit 1(A)(7): Declaration of Gerald Armstrong dated July 16, 1991, exhibit to Armstrong deposition.

Exhibit 1(A)(8): Declaration of Gerald Armstrong dated May 27, 1992, exhibit to Armstrong deposition.

Exhibit 1(A)(9): Declaration of Gerald Armstrong dated July 16, 1991, exhibit to Armstrong deposition.

Exhibit 1(A)(11): Declaration of Gerald Armstrong dated August 26, 1991, exhibit to Armstrong deposition.

Exhibit 1(A)(12): Declaration of Gerald Armstrong dated September 3, 1991, exhibit to Armstrong deposition.

Exhibit 1(A)(14): Affidavit of Gerald Armstrong dated February 19, 1992, exhibit to Armstrong deposition.

Exhibit 1(B): Declaration of Gerald Armstrong, dated October 17, 1991, thus authenticated.

Exhibit 1(C): Article from the Marin Independent Journal, Wednesday, November 11, 1992, "Is money the root of problems?", thus authenticated.

Exhibit 1(D): Declaration of Graham Berry, dated March 16, 1992 and Exhibit M thereto, filed in Church of Scientology International v. Gerald Armstrong, et al., Marin County Superior Court Case No. 152229, thus authenticated.

Exhibit 1(E): Excerpts from the Deposition of Gerald Armstrong taken in Church of Scientology International v. Gerald Armstrong, et al., Marin County Superior Court Case No. 157 680, thus authenticated.

Exhibit 1(F): Exceprts from the Deposition of Gerald Armstrong taken in Religious Technology Center, et al. v. Joseph A. Yanny, et al., Los Angeles Superior Court Case No. BC 033035 thus authenticated.

Exhibit 1(G): Excerpts from the Deposition of Michael Walton taken in Church of Scientology International v. Gerald Armstrong, et al., Marin County Superior Court Case No. 157 680, thus authenticated.

Exhibit 1(H): Letter from Gerald Armstrong to Michael Walton, dated 8-14-90 thus authenticated.

Exhibit 1(I): Declaration of Larry Heller dated March 2, 1992 and Exhibit B thereto, filed in Church of Scientology International v. Gerald Armstrong, et al., Marin County Superior Court Case No. 152229, thus authenticated.

Exhibit 1(J): Declaration of Vicki J. Aznaran, dated May 19, 1994, thus authenticated.

Exhibit 1(K): Declaration of Mark C. Rathbun, dated August 26, 1991, thus authenticated.

Exhibit 1(L): Excerpts from the Deposition of Michael Walton taken in Church of Scientology International v. Gerald Armstrong, et al., Los Angeles Superior Court Case No. BC 052395 thus authenticatd.

EXHIBIT 2: Declaration of Lynn R. Farny authenticating Church scriptures.

Exhibit 2(A): HCO Policy Letter of 14 February 1965 SAFEGUARDING TECHNOLOGY);

Exhibit 2(B): HCO Policy Letter of 4 June 1971 STANDARD ADMIN.

Exhibit 2(C): "The SCIENTOLOGIST A MANUAL ON THE DISSEMINATION OF MATERIAL" in the Organization Executive Course Public Division ("OEC Vol. 6), pp. 25-51.

EXHIBIT 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation; Plaintiff, vs. GERALD ARMSTRONG; MICHAEL WALTON; THE GERALD ARMSTRONG CORPORATION, a California for-profit corporation; Does 1 through 100, inclusive, Defendants.	CASE NO. 157 680 DECLARATION OF LAURIE J. BARTILSON IN SUPPORT OF CHURCH OF SCIENTOLOGY INTERNATIONAL'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO GERALD ARMSTRONG'S MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR SUMMARY ADJUDICATION OF ISSUES
GERALD ARMSTRONG, Cross-Complainant, vs. CHURCH OF SCIENTOLOGY INTERNATIONAL, a California Corporation; DAVID MISCAVIGE; DOES 1 to 100; Cross-Defendant.	DATE: September 9, 1994 TIME: 9:00 a.m. DEPT: 1 TRIAL DATE: September 29, 1994

LAURIE J. BARTILSON deposes and says:

1. My name is Laurie J. Bartilson and I am one of the attorneys responsible for the representations of the plaintiff and cross-defendant in this action. I have personal knowledge of the facts set forth in this Declaration and could competently testify thereto if called as a witness.

2. Armstrong's counsel served my co-counsel with the moving papers in this case by mail, and served me with some of the documents by telefax. My co-counsel forwarded to me a complete set of what he had been sent by Mr. Greene. Mr. Greene's papers did not include a notice of motion or a motion. They did not include copies of the non-California authorities cited in his papers, nor any indication that those authorities had been provided to the Court. Further, Mr. Greene did not provide us with a separate statement in support of his claimed alternative motion for summary adjudication, and did not provide us with his referenced request for judicial notice.

3. On August 18 and 19, I was present at the continued deposition of Gerald Armstrong. During the course of that deposition, Armstrong confessed to many new breaches of the Agreement, including the provision of aid, including declarations or affidavits, to anti-Church litigants Malcolm Nothling, Larry Wollersheim, and Ron Lawley, as well as media interviews about his Scientology experiences with reporters from Newsweek, Entertainment TV, Gauntlet, the Pacific Sun, and Premiere.

4. Attached hereto and incorporated herein are true and correct copies of documents submitted as exhibits in support of

the Church of Scientology International's memorandum of points and authorities in opposition to Gerald Armstrong's motion for summary judgment:

Exhibit A: Excerpts from Volumes 1-5 of the Deposition of Gerald Armstrong taken in Church of Scientology International v. Gerald Armstrong, et al., Los Angeles Superior Court Case No. BC 052395, as well as Exhibits 6, 7, 8, 9, 11, 12, and 14 thereto;

Exhibit B: Declaration of Gerald Armstrong, dated October 17, 1991;

Exhibit C: Article from the Marin Independent Journal, Wednesday, November 11, 1992, "Is money the root of problems?";

Exhibit D: Declaration of Graham Berry, dated March 16, 1992 and Exhibit M thereto, filed in Church of Scientology International v. Gerald Armstrong, et al., Marin County Superior Court Case No. 152229;

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Exhibit G: Excerpts from the Deposition of Michael Walton taken in Church of Scientology International v. Gerald Armstrong, et al., Marin County Superior Court Case No. 157 680;

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Exhibit K: Declaration of Mark C. Rathbun, dated August 26, 1991;

Exhibit L: Excerpts from the Deposition of Michael Walton taken in Church of Scientology International v. Gerald Armstrong, et al., Los Angeles Superior Court Case No. BC 052395;

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 26th day of August, 1994, at Los Angeles, California.

Laurie J. Bartilson

EXHIBIT A

IN AND FOR THE SUPERIOR COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

--oOo--

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs.

Case No. BC 052395

GERALD ARMSTRONG; DOES 1 through 25, inclusive,

Defendants.

CERTIFIED COPY

DEPOSITION OF

GERALD ARMSTRONG

Wednesday, June 24, 1992

REPORTED BY: SUSAN M. SKIGEN, CSR #5829

and parts of it that aren't?

A. Oh, the fact that the, that the litigation settled, there's nothing wrong with that.

Q. And nothing wrong with you getting paid money?

A. There's nothing wrong with settling litigation and there's nothing wrong with paying people money.

If you get money, it doesn't necessarily mean that you're corrupt. But if in the process of your receipt of money, you are corrupted by things, you are corrupt.

Q. Such as enforcing this agreement against you?

A. Oh, yes, it's corrupt. You have no -- it's indecent and, you know, it's illegal.

Q. That makes me corrupt?

A. Yes, you're corrupt. You go to the complaint and you read the language in your complaint which you know to not be true, it's corrupt.

(Short recess.)

(Record read by the reporter.)

MR. WILSON: Q. Mr. Armstrong, have I exhausted your memory about, I'm calling them problems that you saw with the agreement when you first reviewed

it, or are there other things that you haven't testified about that you were concerned about when you first saw the agreement?

A. I objected to the liquidated damages aspect of the document.

Q. Is there anything else?

A. That's what comes to mind right now.

Q. With respect to the liquidated damages aspect, what was your concern there?

A. That on one hand it was absolutely impossible to live by that agreement, and on the other hand, the very fact of living in life would require from me 50,000 bucks every time I opened my mouth and did what I had to do to survive in life. It was repugnant and ridiculous.

Q. Now, can you explain to me how you felt the agreement was impossible to live by?

A. Because it asked or demanded or ordered that I not discuss what was essentially 17, plus years of my life. And I knew just on a theoretical level that you cannot take 17 years of someone's life and then say you may not talk about anything that happened in those 17 years, and then hold over the top of them the threat that should they do so, they must pay $50,000 every time they violate it. It's just --

Q. Okay.

A. Both aspects of it are impossible.

Q. And that was not something that you just thought of, that was something you thought of when you first saw the agreement?

A. What?

Q. That it was impossible and as you put it repugnant?

A. That based on that, yes, based on that, that Michael Flynn said at that point it's unenforceable, they can't do it, it is not worth the paper it's printed on.

Q. Well, when Michael Flynn said that, was that, let me ask you this, did you sit down and review the agreement in his presence, was that the first time you reviewed it?

A. I reviewed it both in and out of his presence. I had the document overnight. I went over it in greater detail out of his presence than in his presence, but my recollection is he gave me the document.

Q. And then is it your recollection that he gave you the document, that you then had it overnight, reviewed it, and then you saw him and went over the questions and concerns that you had?

depends on my helping of my fellow men. You can't take that away. You, your contract, your organization, your judge and your guns can't take that away.

Then, now what does it mean? What does that aspect of the agreement mean to the organization?

Q. Well, that wasn't my question.

A. I'm answering, because like I say, I have two understandings of it.

And the second understanding is what I understand to be the organization's understanding. Because the stretch of that understanding is I must go out and commit suicide in order to comply with that agreement. Because as long as I'm alive and as long as I breathe, I offer a degree of assistance to those people victimized by the organization. It's indirect --

Q. Okay.

A. -- so it goes that far. But that's ludicrous. It's not enforceable. And I believe that I have a God given right to assist everyone.

Q. And no court or anybody can take that away; right?

A. No court can take that away and no court can order my suicide, because that's what the court's order means, it means I must go out and commit suicide. Because as long as I exist, I am, by existing, by

appearing here today, by testifying today, I am assisting. But I know that Judge Sohigian does not mean that and he does not mean that I cannot help my fellows.

Q. Well, we can get to that in a minute.

Getting back to your understanding of that particular provision, you have an understanding of what the term litigation means, don't you?

A. Right.

Q. That isn't something you have any problem interpreting; right?

A. It's up to you. I don't know what interpretation you're giving it.

Q. In your own mind, you don't, somebody says litigation, you know what they mean; right?

A. Right, I know what I mean.

Q. Now, if there was a litigation pending in which the Church of Scientology International was a party and anybody else was on the other side, would there be any doubt in your mind that the provision we've been discussing would prohibit you from giving documents to the person on the other side?

A. I think that that would be the organization's interpretation of it.

Q. Right. And as far as you know, would it be the organization's interpretation that you shouldn't

Q. Larry Heller?

A. Right.

Q. What was your reaction when you were served with that subpoena at your home in the Berkeley Hills, what thoughts went through your mind?

A. I think that I was philosophic about it. I think that I recognized it as inevitable.

Q. That somebody in litigation with the organization would have actually subpoenaed you to testify?

A. Right. And I knew that, because I knew that fair game was not dead, that all of their representations about turning over a new leaf were lies, and that I myself was a target of organization attacks. So I knew that there were other victims out there. And I knew they were going to come to me. So this was just --

Q. How did you know that?

A. Because I knew.

Q. Was it something somebody told you?

A. What?

Q. Did someone tell you anything that made you conclude that, or was it just something you knew as a result of your experiences?

A. What is the thing told me, what, or --

Q. That it was inevitable that you'd be subpoenaed, that the organization had lied?

A. Well, that's, like I say, that's how I felt about it and how I had approached it philosophically.

Inevitable in the sense that barring some outside intervention of magnitude or an internal change of heart of the organization, it was inevitable.

And I myself knew, I mean, they -- I had by this time their publications from England. I had the court's dead agent documents. I knew that the L.A. Times had been given a stack of Armstrong documents right following the settlement agreement. I knew that there were a number of incidences. And they still were carrying on their campaign against me.

So I knew that I was still a big time enemy and that they were out to destroy me. So when it happened, I was kind of philosophic about it and I did the logical thing.

Q. Which was what?

A. I called Toby Plevin to make arrangements for time and place.

Q. And she was the lawyer who had issued the subpoena?

A. Right.

Q. And has anybody from the organization ever

told you that your calling Toby Plevin to make those arrangements was a violation of the agreement?

A. I don't think anyone ever said that.

Q. Okay.

A. But I don't know that I even have told anyone.

Q. Now, you said that after the settlement that the organization had delivered a stack of documents to the L.A. Times. How did you find that out?

A. I think, I'm not sure who called me, if it was one of the, Welkos, Sappell, W-e-l-k-o-s, S-a-p-p-e-l-l --

Q. One of those two guys called you?

A. That's my recollection. I just know that it had happened at the time. I can't at the moment date it, but I would be, possibly could.

Q. But it's your recollection it was shortly after the settlement was signed?

A. Right.

Q. And what did you tell them when they called you?

A. I don't recall.

And then there was a lawyer that called from England. And there was a reporter who called from England.

A. Because I was attempting inasmuch as was practical to give the organization the opportunity it said it wanted to act decently and make peace and get on with its life, and to not get drawn back in and to try and live as peacefully as possible myself.

Q. In your own mind, though, you thought that this was evidence that the organization did not intend to make peace; right?

A. Oh, there were a lot of pieces along the way which led to that conclusion, yes.

Q. And this was one of them; right?

A. Yes.

Q. Was this the first indication you had the organization really didn't intend to make peace?

A. Oh, the document itself was the first.

There was a guy who attended the, you know, after it all is done and I go through the videotaping and then I sign everything and, you know, we're wrapping up, and I offer my hand to this guy, you know. And he either refused or he treated me so shitly to let me know that I just was like this total rotten scumbag that they were dealing with.

And I knew right then that there is nothing good about this thing, these guys still hate me and they're still going to carry on their campaign against

me. And then there were a number of things. I mean, it's gone on constantly.

Q. So the agreement itself was, as far as you could tell, evidence that the organization really didn't intend to make peace; right?

A. Right.

Q. Even if nothing else had happened, you'd have thought that; right?

A. Right.

Q. And then after you signed it, you tried to shake hands with somebody and they either refused or treated you badly?

A. Right.

Q. And that was one more piece of evidence the organization didn't want to make peace?

A. Right.

Q. Do you remember who that was?

A. Mike Sutter.

Q. And had you known Mike Sutter before then?

A. Yes.

Q. How long had you known him?

A. Couple years.

Q. Did he say anything to you?

A. No, it was just, just shitty treatment.

Q. What was it, did he spit at you?

Q. You knew they expected you to keep your part of the bargain, didn't you?

A. I knew that it was impossible for me to keep what they could consider my part of the bargain, absolutely impossible.

Q. Well, that isn't my question.

A. But let me answer that. It was not my intention thereafter to go out and publish a book in violation of that settlement agreement.

It was not my intention thereafter to go out and talk to the press.

It was not my intention to get involved in other litigation.

It was not my intention to turn around and sue the organization on the basis of everything that went down before that.

It was my intention to, as much as was humanly possible, honor the settlement agreement --

Q. Has that --

A. -- because I, and I tried, but I also knew it's impossible.

Q. Has that intention changed?

A. What?

Q. The intention you just expressed.

A. Oh, now it's completely impossible ever

since, since '89.

Q. Okay.

A. When, I mean, I have, I have absolutely no intention of honoring that settlement agreement. I cannot. I cannot logically. I cannot ethically. I cannot morally. I cannot psychically. I cannot philosophically. I cannot spiritually. I cannot in any way. And it is firmly my intention to not honor it.

Q. No matter what a court says?

A. No court could order it. They're going to have to kill me.

Q. Well, let's just hope we don't have to turn this into a death penalty case.

A. Into a what?

Q. A death penalty case.

A. Right, but you guys would.

Q. I'm not the one who stands up and pounds the table and screams at people in this deposition, your lawyer is. If I were to stand up at this deposition and scream at you to shut up, would you consider that to be an act of fair game?

A. I consider the whole thing --

Q. I know, but if I were to stand up and yell at to you shut up, would you consider that to be fair game?

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this _____ day of JUL 09 1992, 19____

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

--oOo--

CERTIFIED COPY

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs. No. BC 052395

GERALD ARMSTRONG; DOES 1 through 25, inclusve,

Defendants.

DEPOSITION OF

GERALD ARMSTRONG

Wednesday, July 22, 1992

Volume II, Pages 179 - 293

REPORTED BY: KATHERINE NG, CSR NO. 6350

--oOo--

MR. WILSON: This is a continuation of the deposition of Gerald Armstrong from June 24, and we'll have the same stipulations that we had at the previous deposition, and Mr. Armstrong is under oath from that previous deposition.

(Plaintiff's Exhibit 7 was marked.)

MR. WILSON: We have marked for identification Exhibit 7, a declaration of Gerald Armstrong dated June 16, 1991.

---oOo---

EXAMINATION BY MR. WILSON

MR. WILSON: Q. Mr. Armstrong, do you recognize what I have had marked as Exhibit 7?

A. Yes.

Q. Can you tell me what it is?

A. It is a declaration which I executed on July 16, 1991.

Q. Who drafted it?

A. I did.

Q. And do you know what case it was filed in?

A. Not for sure, no.

Q. Can you tell me what case you believe it was filed in?

A. Azneran.

Q. Just so I understand, because I'm not as familiar as you are, can you tell me what the Azneran case is?

A. It's the case of Richard and Vicky Azneran versus a number of Scientology entities filed in U.S. District Court in L.A.

Q. What is your understanding of what Richard and Vicky Azneran are alleging in that case?

MR. GREENE: At this point, since Gerry has worked as a paralegal on this case in my office, I would request, Andy, that if you would phrase the question in terms of at the time that he signed this declaration, which was prior to the point when he worked for me; otherwise, it could constitute some kind of waiver. That way you could probably get what you want.

(Telephonic interruption.)

THE WITNESS: Okay. So my understanding certainly at that point was that the Aznerans who had been involved quite high level in the organization had sued the organization for the wasted years and the abuse of the organization. So it was those sorts of claims.

MR. WILSON: Q. Did you get that understanding from talking to the Aznerans?

A. I believe I got that understanding by that time from a number of sources.

learned that the Aznerans had instituted litigation against the organization?

A. I can't tell you the exact way that I learned, because, as I say, I heard about it, heard about aspects of it, read documents concerning it during those, probably two years prior to this.

Q. When you say two years prior to this, what do you mean?

A. Two years prior to executing the July 1991 document.

Q. Do you have any idea who you heard it from?

A. You mean the first time I ever heard of it, is that what you're asking me?

Q. Yes, how you learned they had sued the organization.

A. No, I can't say where I learned it from.

Q. And I take it at the time you executed this declaration, you were not working as a paralegal for Mr. Greene?

A. Right.

Q. And at some later time you began working as a paralegal for Mr. Greene and part of those duties were working on the case; is that right?

A. Right.

Q. Can you tell me when that was that

approximately you began working as a paralegal on the case?

MR. GREENE: For me?

MR. WILSON: Yes.

THE WITNESS: August 1991.

MR. WILSON: Q. Did you have any connection from August 1991 until the Azneran case, other than as a paralegal for Mr. Green?

A. Boy, that's a very broad question and so I'm --

Q. Let me narrow it down. Other than as a paralegal for Mr. Greene, have you had any conversations with the Aznerans since August of 1991?

MR. GREENE: Just so it's clear, you mean as an independent human as opposed to a paralegal?

MR. WILSON: Right. He could be talking to the Aznerans about baseball or politics.

MR. GREENE: As opposed to having direction to find out something from them?

MR. WILSON: I suppose it's possible they could have talked about the case not in connection with his being a paralegal, although I don't know.

MR. GREENE: I don't think it's possible.

THE WITNESS: So the answer is yes.

MR. WILSON: Q. Okay. Can you tell me, other than as to those communications as the answer is "yes",

you knew you had consulted with Mr. Walton about the settlement; is that right?

A. Right.

Q. Are you acquainted with a man named John Elstead?

A. Yes.

Q. When did you meet Mr. Elstead?

MR. GREENE: I don't want to be difficult, Andy, but didn't we go through this the last time?

MR. WILSON: I don't think so. Give me a minute and I'll check.

MR. GREENE: I believe we did. If it's preliminary, I don't care.

MR. WILSON: It is preliminary.

MR. GREENE: Go ahead.

MR. WILSON: Q. Have you worked as a paralegal for Mr. Elstead?

A. Although I did not work in Mr. Elstead's office and did not report directly to him, because he was an attorney of record on the Azneran case and because I worked on the Azneran case, then in that sense, yes, I did.

Q. Okay. And I take it then that in that connection you didn't report to Mr. Elstead for any of your duties; is that right?

A. The secretarial work for Mr. Greene.

Q. And can you remember any specific things you did, whether it was secretarial or not?

A. Without getting into exactly what they were, that is, the subject matter, copying, mail logging, routing, relaying messages, taking messages.

Q. Okay. Let me ask you this question. Back to Mr. Elstead, have you done any other work for Mr. Elstead, other than on the Azneran case?

MR. GREENE: In any capacity?

MR. WILSON: Right.

THE WITNESS: In that Mr. Elstead requested me to testify in the Hunziker case and that I did agree and in that I did testify at deposition, that's what I did for him.

MR. WILSON: Q. And what is the Hunziker case?

A. It's the case of Steven Hunziker versus Applied Materials.

Q. And what did Mr. Elstead ask you to do in that case?

A. He asked me if I would testify.

Q. In what capacity? What did you know about the case that he wanted you to testify about?

A. The case involved Scientology courses being taught at the Applied Materials Company, and he wanted me

to testify regarding certain organizational matters in relation to that.

Q. How did you know that Scientology courses were taught at Applied Materials?

A. I'm not certain where I first learned of that, but I did learn something about it from Mr. Elstead.

Q. Do you remember the names of the courses that were taught?

MR. GREENE: Let me just interrupt for a second.

(Counsel conferred with the witness.)

MR. GREENE: For the record, it's my understanding that Mr. Armstrong is designated by the plaintiff in Hunziker, et al., versus Applied Materials as an expert witness, and such being the case, I don't have any problem with him talking about what he has learned about that case while in that capacity. It's fair game again. I don't know if that's the area we're going into or not; I would just caution the witness if that's the case to make it clear so your testimony is clear.

THE WITNESS: Okay.

MR. WILSON: Q. Do you want to clarify anything you have said so far?

A. I think he has said it. When you asked those

A. No.

Q. Do you remember whether it had anything to do with his representation of David Mayo?

A. I don't know what the substance of it was. All I recall is I had talked to him sometime before on the phone.

Q. So you got the message from someone in Judge Sohigian's courtroom and you called Mr. Fagelbaum?

A. Right.

Q. What did you talk about, this is the second time in late May 1992?

A. Right. My recollection is that at that time he asked me if -- I believe told me that he had a declaration of mine and he wanted me to authenticate it.

Q. Was it a declaration that you had previously given to him?

A. I, I don't -- that is, it is a declaration which I gave, but I did not specifically give it to him. It is a declaration which has been widely circulated, and I did not ask him the source of it.

Q. Who did you originally give that declaration to?

A. After I originally prepared it, the original of it, although when I -- just so we get it very careful here, I believe that I signed the same declaration

perhaps as an affidavit and perhaps with different headings with captions, four different cases, but at least the first one, the first original went to Michael Flynn.

Q. And this was for your litigation against the Church of Scientology is that right?

A. Well, I guess, yes.

Q. Okay.

MR. GREENE: Mr. Armstrong, don't guess.

THE WITNESS: Okay.

MR. GREENE: If you don't know, say that you don't know. Give your best estimate, but guessing is not a good idea.

THE WITNESS: It was to assist, it was to help in my battle with Scientology.

(Plaintiff's Exhibit 8 was marked.)

MR. WILSON: Q. Exhibit 8 is a pleading that is entitled too long for me to read, filed in a case in Central District Court of U.S. District Court, California.

Is that the declaration that you signed in Mr. Fagelbaum's office in the 27th of May?

A. It appears to be, yes.

Q. Is paragraph 4 where it refers to Exhibit C, which unfortunately we don't have here, is that the

literary works campaigns.

Q. What campaigns does it make?

A. It is a contributor and possessor of certain rights within the group known as the Runners against Trash and the same within the organization known as the Organization of United Renounciants.

Q. What is the Organization of the United Renounciants?

A. It is an organization dedicated to the preservation of the world through peaceful means.

Q. What have the people in the organization renounced, if anything?

A. The people in the organization renounce money.

Q. Does that mean that they give away their money?

A. They can if they want.

Q. Did you give away the money that the Church paid you in settlement?

A. Well, I'm, that's not a very well worded question, because I gave away all my assets including all my money.

Q. When?

A. When? August 1990.

Q. Who did you give it to?

A. A number of people.

Q. Can you tell me who they are?

A. No.

Q. Did you give any of it to Michael Walton?

A. Yes.

Q. Why did you give it away?

A. Because I considered that I was guided to do so.

Q. By whom?

A. The source of all that is.

Q. Who is that?

A. God.

Q. Now, when God guided you to give away all your assets, did he guide you to give them to particular people or did you make that decision?

A. I believe that I was guided each step of the way.

Q. Okay. When you say you gave it away, I take it you didn't receive anything in return in terms of monetary compensation?

A. Right.

Q. Can you tell me why you decided to give some of it to Michael Walton?

A. Because it was logical.

Q. Why?

A. And because it was so guided.

Q. Can you tell me what about it was logical?

A. Right.

Q. Can you give me any more specifics on that, what month it was?

A. No, but earlier in the year. March maybe.

Q. What did you discuss with Mr. Sirota about?

MR. GREENE: We will assert the joint defense privilege and instruct him not to answer.

MR. WILSON: What joint defense?

MR. GREENE: We have a common adversary, the Church of Scientology.

MR. WILSON: You mean Sirota and the Church of Scientology?

MR. GREENE: My understanding is Sirota represents Readers Digest which is in litigation against the Church of Scientology. So based upon that understanding, I am asserting the joint defense privilege and instructing Mr. Armstrong not to answer the question. So that same instruction will stand as to the second conversation that Armstrong had with any legal representative or employee of any legal representative with the client being Readers Digest.

MR. WILSON: Q. Okay. Did you provide a declaration to anybody who you understood to be allied with Readers Digest in any manner?

A. I believe to Readers Digest itself.

Q. To Mr. Lostest or Fran Lostest as you've put it?

A. I'm not sure if it went to him or Mark Sirota, but in any case, to Readers Digest.

Q. What was the substance of that declaration, if you remember?

A. It was regarding certain statements in Readers Digest for which Readers Digest had been sued in one or more European country. And they asked for my assistance regarding information I had on those specific points from the Readers Digest article.

Q. And who did you understand they had been sued by?

A. One or another organizational entity.

Q. Organizational entity, what do you mean?

A. The organization.

Q. As you've been using the term?

A. Right.

Q. Scientology?

A. Right.

Q. Do you know a person named Jim Rumons?

A. He's the lawyer on the Hunziker case. He represents Steven Hunziker.

Q. I'm sorry. I forgot.

In addition to working on this matter, have you

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this JUL 28 1992 day of _____, 19____

K. Thomas Ng

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

MARY HILLABRAND INC.
CERTIFIED SHORTHAND REPORTERS

520 SUTTER STREET / off UNION SQUARE SAN FRANCISCO, CA 94102
PHONE 415 / 788-5350 FAX 415 / 788-0657

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF MARIN

--ooo--

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs.

GERALD ARMSTRONG; DOES 1-25, inclusive,

Defendants.

No. BC 052395

CERTIFIED COPY

DEPOSITION OF

GERALD ARMSTRONG

Volume III

October 7, 1992

REPORTED BY: LARRY BOSTOW, CSR# 5941

A. Fair.

Q. All right. Mr. Armstrong, I'm going to hand you a document that has already been marked. It's a copy of a document previously marked as Exhibit 6 to your deposition. Take a look at it, please.

A. Yes.

Q. Now, Mr. Armstrong, that's the document that is the agreement which is the subject of the dispute in this litigation; is that correct?

A. Yes.

Q. And this is an agreement which you signed on December 6th, 1986; is that correct?

MR. GREENE: That's asked and answered.

Don't answer the question.

Go ahead.

MS. BARTILSON: It hasn't been answered as to this document.

MR. GREENE: Yeah, it has. Wilson went through all this. That's the agreement. That's Armstrong's signature.

Let's proceed.

Ask him something new.

Don't answer the question.

MS. BARTILSON: Actually, he hasn't, so I'm going to make the record.

Q. Mr. Armstrong, if you look at page 3, please, of the agreement: The signature that appears partway down the page is your signature; is that correct?

A. Yes.

Q. And if you look at page 16 of the agreement, the first signature on that page, appearing about halfway down, is your signature; is that correct?

A. Yes.

Q. Looking through the agreement: Those are your initials that appear on each page of the agreement; is that correct?

A. Yes.

Q. On the bottom right-hand corner?

A. Yes.

Q. And you made those initials yourself?

A. Yes.

Q. On December 6th, 1986?

A. Yes.

Q. If you would look, please, at paragraph 3 on page 2 of the agreement.

A. Yes.

Q. You see in that paragraph, it says, "Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn."

MR. GREENE: That's fine. Fine.

THE WITNESS: I find it harrowing.

MS. BARTILSON: Q. Mr. Armstrong, here's an exhibit that was previously marked in your other deposition. I would like you to take a look at it, please. It's Exhibit 7.

MR. GREENE: Do you have a copy for me?

MS. BARTILSON: Actually, I think I do on this one.

MR. GREENE: Thank you.

MS. BARTILSON: Q. You've previously testified you executed this declaration. I just have a couple of additional questions about it that were not asked before.

The first question I have is: Did you yourself prepare this declaration? Did you draft it yourself?

A. And that has been asked and answered many times in great detail.

The answer is "Yes."

Q. Not in this case, if it has. Because that's what I have reviewed, is the deposition in this case. It hasn't been asked and answered, I can assure you.

Did you prepare it at Mr. Yanny's office?

A. Yes.

Q. Okay. And did you give it to Mr. Yanny when you completed it and executed it?

A. If, by that, you mean had he seen it prior to my execution of it, the answer is "No."

Q. No.

The question is: Did you give it to him after you had completed it and executed it?

A. In addition to showing it to him earlier?

Q. In addition to that or nothing.

When it was done, did you give it to him? Or did you give it to someone else? What did you do with the original when you completed it and executed it?

A. The original was left in his office.

Q. And when you left it in his office, was it with the intention that he could take it and use it and file it in court if he so chose to do so?

A. Yes.

Q. And you expected that he would do that, didn't you?

A. Yes.

MS. BARTILSON: This one, I have not talked about.

I'm going to mark this one Exhibit 9.

(Whereupon Plaintiff's Exhibit 9 was marked.)

THE WITNESS: Okay.

MS. BARTILSON: Q. Okay. Mr. Armstrong, is this also a declaration you prepared while you were at Yanny's office in July of 1991?

A. Yes.

Q. And that's your signature that appears on page 2; is that correct?

A. Yes.

MS. BARTILSON: I should identify Exhibit O as a two-page document beginning, "I, Gerald Armstrong, declare and state that," and dated 16th July 1991.

Q. And the original of this declaration, Mr. Armstrong, did you also leave that in Mr. Yanny's office for him?

A. Yes.

Q. With the intention that he would file it in court?

A. With the recognition that having left it with him, he might.

Q. Was it something that you intended to help Mr. Yanny in his litigation against the Church of Scientology?

A. To my knowledge, he had no litigation at that time.

Q. Was it your intention to help him in the

litigation of Richard and Vicki Aznaran, for whom he was now counsel of record in their litigation against the Church of Scientology International?

A. Right.

Q. And you considered that this declaration would help him in that endeavor?

A. No.

Q. You didn't think your declaration would be helpful to him?

A. No. I thought that it was a recitation of an incident which would -- in the broad scope of things and the amount of information which was available, generally and on that specific subject, that it would not be meaningful. Nevertheless, because I was present and I was asked to write it, I wrote it.

Q. Now, the previous declaration, that was identified as Exhibit 7, is that one that you expected would be helpful to the Aznarans in their litigation?

A. My knowledge on that subject, I consider, is helpful to virtually everyone.

Q. So, certainly, it was going to be helpful to the Aznarans?

A. I recognized that it could be.

Q. All right. Mr. Armstrong, you've previously testified that you went to work for Mr. Greene in August

Q. And all of the documents were returned, then, at some later time even if they weren't returned right then?

A. Right.

And just so we also understand about the use of the word "returned," because they were not returned to CSI because they never came from CSI.

Nevertheless, as long as we understand that, as far as acceptability by your organization, CSI was the designated recipient, and it was our understanding that when we were delivering documents to whomever, that that was honoring this clause of this affidavit.

Q. I understand.

Let's get the originals back to the court reporter.

Then let's mark 11.

(Whereupon Plaintiff's Exhibit 11 was marked.)

MS. BARTILSON: Q. So the court reporter has handed you an 11-page document with an Aznaran case caption, titled "Declaration of Gerald Armstrong in Opposition of Motion to Exclude Expert Testimony," and marked as Exhibit 11, and I would like you to take a look at it, please.

A. Did you ever read "Fear"?

Q. No.

Mr. Armstrong, have you had an opportunity to review the two-page declaration that is the beginning of Exhibit 11?

A. Yes.

Q. Is that a declaration that you drafted, sir?

A. Yes.

Q. Did you also --

A. Hold on a minute.

MR. GREENE: Hold it.

Any responses having to do with any communications that occurred in my office, between you and me or otherwise, I'm instructing you not to answer. You can authenticate this document, but as to its preparation, do not answer the question.

MS. BARTILSON: I can't ask him if he drafted this declaration?

MR. GREENE: You can ask him. I'm going to instruct him not to answer.

MS. BARTILSON: Let me make my record real quick here, then.

MR. GREENE: I'll just do it for you.

I will allow the witness to authenticate this document, which he's already done.

MS. BARTILSON: Actually, he hasn't.

MR. GREENE: If he hasn't, fine, have him authenticate it. Any questions about the document's preparation, I'm going to instruct him not to answer.

MS. BARTILSON: Okay.

Q. Mr. Armstrong, is that your signature on page 2 of the document?

A. Yes.

Q. And did you sign it on the 26th of August 1991, in San Anselmo, under penalty of perjury?

A. Yes.

Q. Looking at Exhibit 1 attached to the declaration, do you recall how it came into your possession?

MR. GREENE: Again, Mr. Armstrong, if, in your response to the question, you would disclose any communications or transactions which transpired between you and me or within the activities in my office, I would instruct you not to answer the question. If, on the other hand, your response would not include a disclosure of such information, you may.

THE WITNESS: Then I would not answer.

MS. BARTILSON: Q. Same question as to Exhibit 2.

MR. GREENE: And same admonition and instructions.

MR. GREENE: Don't answer the question.

Sorry. That's an expanded question, and there are a number of form problems.

But since it's content-specific, don't answer it.

MS. BARTILSON: Q. Did you do anything to this declaration besides signing it?

A. I presently have no recollection of doing anything else with it.

MS. BARTILSON: See? Saved us a lot of trouble.

Let's mark this one 12.

(Whereupon Plaintiff's Exhibit 12 was marked.)

MS. BARTILSON: Q. The court reporter has handed you a document which purports to be a declaration of Gerald Armstrong, again in the Aznaran case. The declaration itself is ten pages in length, and it attaches several exhibits, all the way through Exhibit [illegible].

I'll ask you if you recognize that.

A. Yes.

Q. On page 10 of the declaration, is that your signature?

A. Yes.

Q. Did you, in fact, execute it on September

3rd, 1991?

A. Yes.

Q. Did you prepare this declaration yourself, Mr. Armstrong?

MR. GREENE: Again, I instruct you not to answer the question. Because it would disclose intraoffice procedures, don't answer it.

MS. BARTILSON: Q. Mr. Armstrong, was this declaration prepared at Mr. Greene's office?

MR. GREENE: Again, don't answer the question. You may authenticate the document, but do not answer any questions with respect to the nature, manner, or means of its preparation.

MS. BARTILSON: Q. In fact, you prepared this document, not at Mr. Greene's office, didn't you, Mr. Armstrong? You didn't prepare this at Mr. Greene's office, did you?

MR. GREENE: Same instruction.

MS. BARTILSON: Q. Mr. Armstrong, do you see that Exhibit 1 to this declaration is a copy of the settlement agreement at issue in this case?

A. Yes.

Q. When you signed the declaration, which, in part, authenticates this settlement agreement, did you intend for the declaration to be used in the Aznaran

litigation?

A. Yes.

Q. Did you expect and anticipate that the settlement agreement would be filed with the court in the Aznaran case?

A. Yes.

Q. And did you consider that by providing this declaration, you would be helping and assisting the Aznarans in their litigation?

A. Among other things, yes.

Q. Mr. Armstrong, did you ever receive any formal education or training as a paralegal?

A. Yes.

Q. When was that?

A. 1982 and '83.

Q. And where was that?

A. At Coastline Community College in Orange County, California.

Q. Did you receive a degree?

A. No.

Q. Do you recall approximately how many student credit-hours you obtained in the studies as a paralegal?

A. My recollection is that I took four courses; that's what I recall.

Q. Do you recall the subject of those courses?

Are you refusing to answer that question too, Mr. Armstrong?

A. No, I'm not.

Q. Then would you answer it.

A. Not to my knowledge.

Q. Fair enough.

Can we mark another exhibit? This is 14.

(Whereupon Plaintiff's Exhibit 14 was marked.)

MS. BARTILSON: Q. The court reporter has handed you, Mr. Armstrong, a ten-page document marked as Exhibit 14, entitled "Affidavit of Gerald Armstrong," with a signature that is dated the 19th day of February 1992.

And I'm going to ask you if you recognize that.

A. Yes.

Q. And is that your signature that appears on page 9 of this document?

A. Yes.

Q. I would like you to look, if you would, at paragraph 2, where it says: "I am also a paralegal and I am working in that capacity in the law office of attorney Ford Greene in San Anselmo. I am presently involved in litigation concerning the Scientology organization,

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this _____ day of OCT 23 1992, 19____

Lany Boston

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF MARIN

--oOo--

CERTIFIED COPY

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs. No. BC 052395

Gerald Armstrong; Does 1-25, inclusive,

Defendants.

DEPOSITION OF

GERALD ARMSTRONG

Thursday, October 8, 1992

VOLUME IV

REPORTED BY: BARBARA H. STOCKFORD, CSR No. 4575

Q. When was the first time that you sent something to Mr. Behar?

A. 1986.

Q. Was it before or after December of 1986?

A. Before.

Q. And what did you send to him?

A. I don't recall.

Q. When was the next time you sent something to him?

A. 1986.

Q. How many times did you send things to him in 1986?

A. Either two or three.

Q. Do you recall anything that you sent to him in that year regardless of which time it was that you sent it to him?

A. No.

Q. Did you send anything to Mr. Behar after 1986?

A. Yes.

Q. When was the next time you sent something to him?

A. I sent him a letter announcing my address. I sent him things unrelated to the organization.

Q. You didn't send him anything else concerning

CSI or related entities?

A. I sent him a copy of the declaration written at the request of Reader's Digest, and although I believe I have sent him something else in this last year, I do not recall what it is.

Q. Do you recall when you sent him the declaration for Reader's Digest?

A. It would have been around the time that it was executed.

Q. And yesterday, you testified that you sent Mr. Lobsinger a letter. Did you send him any other documents?

A. I sent him the organization's complaint, the answer, cross-complaint. I think that's it.

Q. The answer and cross-complaint that you sent to him are the ones that have now been superseded by the amended answer and cross-complaint?

A. Right.

Q. When did you send him these documents?

A. Within the last two months.

Q. Anything else that you sent to Mr. Lobsinger?

A. No.

Q. What did you send to the New York Times?

A. Complaint, that is, I believe, the amended

complaint; answer; cross-complaint; opposition to motion for preliminary injunction.

Q. When did you send those to the New York Times?

A. Perhaps two months ago.

Q. Did you send them to a particular person at the New York Times?

A. Yes, whose name I do not at this moment recall.

Q. Were those documents solicited from you by the New York Times?

A. No.

Q. How did you know who to send them to there?

A. How did I know?

Q. Um-hum.

A. Because I called the New York Times, asked for their address.

Q. Is the New York Times individual that you sent these documents to a reporter?

A. I think an editor.

Q. Is it a man or woman?

A. Woman.

Q. Do you know what division she works in or department?

A. Editorial.

A. What is this again?

Read that question back.

MS. BARTILSON: Can you read that back, please?

(Record read.)

THE WITNESS: You would have to show me where I testified that I provided advice to them in Bent Corydon's litigation with the organization.

I do not just accept your representation because it is not my practice to give advice to anyone in litigation. I do not consider myself qualified. I do not make that representation.

However, I did testify in the Corydon litigation.

MS. BARTILSON: Q. Did you provide any aid to Bent Corydon or to his attorney, Toby Plevin, of any kind beyond testifying?

A. Yes.

Q. What aid did you provide them?

MR. GREENE: Hold on.

Mr. Armstrong, there may be applicable here on behalf of Ms. Plevin an attorney-work product privilege. So if, in response to this answer -- I'm not exactly sure. I just would caution you --

Can we go off the record a second, please?

(Pause in proceedings.)

MR. GREENE: Back on the record.

With respect to the pending answer, for the time being, I'm going to instruct Mr. Armstrong not to answer for the purpose of notifying Ms. Plevin regarding the information that's sought so as to provide her with an opportunity to assert any rights that she may consider are appropriate for her to assert in that regard.

So for now, my instruction to you, Mr. Armstrong, is: Don't answer the question.

MS. BARTILSON: Let me get some foundational questioning in on this because I am a little hazy as to how it could be work product.

Q. Mr. Armstrong, were you ever employed by Toby Plevin?

A. Broadly, yes.

Q. When were you employed by Toby Plevin?

A. I would say 19 -- 1991. I'm not quite sure. It may be back into '90, but I believe in '91.

Q. Do you recall approximately when in '91?

A. It would have been fairly early in the year.

Q. And for how long a period were you employed by Ms. Plevin?

A. A matter of a couple of days.

Q. And what was the nature of your employment?

A. Clerical.

Q. You provided clerical services to Ms. Plevin?

A. Right.

Q. For about three days in 1991?

A. Again, it could have been a couple of days. So perhaps a total of ten hours.

Q. Were you compensated for your work that you did?

A. In money, no.

Q. In some other form, were you compensated?

A. Yes.

Q. What was that?

A. Among other things, a place to stay in Los Angeles.

Q. You stayed with Ms. Plevin?

A. Correct.

Q. For how long approximately did you stay with Ms. Plevin?

A. A few days.

Q. Was this before or after you came to Los Angeles to help Mr. Yanny in July?

A. Before.

Q. Y-a-n-n-y.

If you compare the two time periods when you

were helping Yanny in July and when you were helping Ms. Plevin earlier in that year, does that help at all to have you be able to place the time, how long before you came to help Mr. Yanny were you helping Ms. Plevin?

A. No, I can't say exactly when it was.

Q. That doesn't help?

A. Then, like I say, it very easily could have been in 1990, early part of 1991. I'm not sure.

Q. And the clerical duties that you performed for Ms. Plevin, were these connected with her law firm, her legal work?

A. Yes.

Q. Were they for Bent Corydon and his case?

A. What I did on what case and for what case, I did what I did, I think that would fall under what I would consider office confidentiality, which I think it would be inappropriate for me to divulge.

Q. Listen to the question. I haven't asked what you did on any single case.

A. I listened to your question.

Q. I asked you simply: Did you perform any clerical duties for Mr. -- one of Mr. Bent Corydon's cases? You can answer that question. You already testified about it.

A. I've already testified to that?

assets are located?

A. Right.

Q. How did the company acquire these assets, Mr. Armstrong?

MR. GREENE: It's irrelevant. Objection.

MS. BARTILSON: It's not after looking at the company of the alter ego of Mr. Armstrong. It's obviously relevant, and that's an issue in this case.

THE WITNESS: It acquired a number of them by my initial transfer of them to the corporation from my personal business at that time. It subsequently either purchased or created the remainder.

MS. BARTILSON: Q. When was it that you transferred the assets personally from your personal property to the corporation?

A. The beginning of 1988.

Q. Do you recall the approximate value of the assets that you transferred at that time?

A. Beyond the answer of no, I would decline to get into it. Assert the right of privacy on behalf of myself and the corporation.

Q. Has anyone else given assets to the corporation besides you?

A. Going back to your earlier definition of personal property as assets, and sticking to that

Q. Is someone paying for its services at present?

A. I don't know.

Q. You're its sole employee?

A. Yes.

Q. And you're an officer and director of the corporation?

A. Yes.

Q. And you don't know if anyone is paying for the services of the corporation or not?

A. Its hard to say how that will work out.

Q. When was the last time that someone paid for the services of the corporation?

A. If, by that, you mean actually gave dollars in exchange, then I would say approximately 1990.

MS. BARTILSON: Can we take a quick break?

(Recess.)

MS. BARTILSON: Q. Do you get paid a salary by the corporation, Mr. Armstrong?

A. No.

Q. Has the corporation had any other employees in the past?

A. Not formally, no.

Q. Has it had any other -- I'm sorry. I take that back.

Who are the officers of the corporation?

A. I am.

Q. You're the only officer?

A. Yeah.

Q. Are you also the only director of the corporation?

A. No.

Q. Who are the other directors?

A. At present, there's one other director. That is Michael Walton.

Q. Have there been other directors of the corporation in the past?

A. Yes.

Q. How many?

A. One.

Q. Who is that?

A. Michael Douglas.

Q. When was he a director of the corporation?

A. From 1987 through into 1992.

Q. He stopped being a director at what point?

A. Approximately the 24th -- I think the 24th of June, something like that.

Q. When was the last time you had a Board of Directors of the Gerald Armstrong Corporation?

A. The 22nd of June.

Q. 1992?

A. Right.

Q. When was the next time previous to that that you had a Board of Directors meeting?

A. In 1991, I think it was January, but I'm not quite certain of the date.

Q. Did you have any Board of Directors meetings in 1990?

A. I believe so.

Q. Do you recall how many?

A. One.

Q. Did you have any Board of Directors meetings in 1989?

A. I don't recall.

Q. Did you have any Board of Directors meetings in 1988?

A. I believe so.

Q. Do you recall how many?

A. One.

Q. Have minutes been kept of all of the Board of Directors meetings?

A. I'm not certain if all.

Q. Have minutes been kept of some of them?

A. Yes.

Q. Who has custody of the Board minutes?

A. I do.

Q. In your capacity as the officer of the corporation?

A. Right.

Q. Have there been any meetings of the shareholders of the Gerald Armstrong Corporation?

A. Yes.

Q. How many such meetings have there been?

A. Yes.

Q. How many have there been?

A. One.

Q. When was that?

A. 1991.

Q. How many shareholders were there in the Gerald Armstrong Corporation at that time?

A. Four.

Q. Were all of the shareholders present at the meeting?

A. Yes.

Q. How many shareholders are there now?

A. I believe nine.

Q. When was stock in the corporation issued?

A. '87.

Q. Have there been any subsequent issues of stock?

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this _____ day of NOV 06 1992

Barbara H. Stockford

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

---oOo---

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation, Plaintiff, vs. GERALD ARMSTRONG; DOES 1 through 25, inclusive, Defendants.	Case No. BC 052395

CERTIFIED COPY

DEPOSITION OF

GERALD ARMSTRONG

VOLUME V

PAGES 525 - 624

WEDNESDAY, MARCH 10, 1993

REPORTED BY: LYNN P. NYLUND, CSR NO. 3696

Mary Hillabrand, Inc.
520 Sutter Street
San Francisco, CA 94102

connect on the rights to -- on inventions that you gave away?

A. I don't know.

Q. If I ask you to whom you gave them, you wouldn't tell me; is that correct?

A. Correct.

Q. And approximately how many rights to copyrighted or potentially copyrightable works did you give away in August of 1990?

A. I don't know how those things would be broken down, that is, into how many specific different copyrightable works. But there was a significant body of them, so let's just call it one.

Q. Did you transfer that large body of work to The Gerald Armstrong Corporation in August of 1990?

A. No. The Gerald Armstrong Corporation already owned those things.

Q. So was it The Gerald Armstrong Corporation transferring it away or the right to it away?

A. Gerald -- The Gerald Armstrong Corporation owned a number of things. I gave away the corporation. The corporation possessed a number of assets.

Q. So at the beginning -- at the end of the transaction the corporation still owned the assets, but different people owned The Gerald Armstrong Corporation?

A. Correct.

Q. You are still a part-owner President of The Gerald Armstrong Corporation, are you not?

A. I am now.

Q. But you were not in August of 1990?

A. Correct.

Q. You have since reacquired it?

A. Correct.

Q. How much of the stock do you presently own in The Gerald Armstrong Corporation?

A. Eighty.

Q. And what is your current estimate of the value of the assets of The Gerald Armstrong Corporation?

A. A billion.

Q. The rest you are referring to are all either works of yours or inventions of yours or the rights to those works or inventions?

THE WITNESS: Could you read that question back again, please.

(Record read.)

THE WITNESS: That's the bulk of it, yes.

MS. BARTILSON: Q. How much of the one billion would you say is comprised in that?

MR. GREENE: At this point I am going to interject and instruct the witness not to answer. This

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this_____day of MAR 26 1993

Lynn D. Hylund

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

EXHIBIT 6

MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

PLAINTIFF'S EXHIBIT 6

"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block.

amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.

Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of

Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of $50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,

representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1986

GERALD ARMSTRONG

Witness

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND CONTENT:

MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986

for
CHURCH OF SCIENTOLOGY
INTERNATIONAL

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this _____ day of OCT 23 1992, 19____

Lany Boston

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

EXHIBIT 7

EXHIBIT 7
Armstrong
7-22-92

I, GERALD ARMSTRONG, declare and state that:

1. I am the defendant and cross-complainant in the case of Church of Scientology of California vs. Gerald Armstrong, Los Angeles Superior Court No. C420153. I was a member of Scientology from 1969 to 1981 and have been involved in litigation with various Scientology entities, hereinafter referred to as "the organization", since 1982. I have testified approximately 47 days in trials or depositions in at least 10 cases against Scientology. I am very knowledgeable in Scientology litigation and operations, and am qualified to render the opinion in Paragraph 7 below.

2. In 1985 and throughout 1986, I worked as a paralegal in the law firm of Flynn, Joyce and Sheridan in Boston, Massachusetts. I worked on all the organization-related litigation handled by the firm during that period. Michael Flynn was the prime mover in much of the organization-related litigation throughout the United States until December 1986 when he settled all the cases in which he was involved. I was represented in Armstrong by Flynn, Joyce and Sheridan and the law firm of Contos and Bunch in Woodland Hills, California until the settlement.

3. In a declaration I executed December 25, 1990, which I filed in the California Court of Appeal in the organization's appeal (Civ. No. B038975) from a Superior Court ruling unsealing the Armstrong court file, which had been sealed in December, 1986, I detailed the circumstances of and my involvement in the settlement. In that declaration, I waived the attorney-client privilege between Mr. Flynn and me only as to our

conversations concerning the settlement, and I reiterate that waiver at this time, and extend it to include my other attorneys.

4. During the settlement negotiations and thereafter, I learned from Mr. Flynn, and two other attorneys in both firms which represented me in Armstrong, that all the attorneys who had been involved in the organization-related litigation had agreed, as part of the settlement, to not represent or assist anyone in any future litigation against the organization.

5. Each of the law firms involved was also required, as part of the settlement, to turn over to the organization its Scientology-related documentary evidence, as was each of the litigants. Each of the litigants, moreover, was required, as part of the settlement, to not assist any aggrieved party in future litigation against the organization, and to avoid service of process in such litigation. These conditions are stated in the settlement agreement I signed in December 1986, a copy of which is marked and exhibited herewith as Exhibit "1".

6. Since the settlement, the organization's attorneys have threatened me on six occasions that I would be sued if I violated the settlement's restrictions. The organization meanwhile has itself violated the letter and spirit of the settlement regarding me on numerous occasions. I have detailed these instances in my December 25, 1990 declaration and a declaration I executed on March 15, 1990 which was also filed in the above-referenced appeal.

7. The effects of the December 1986 settlement agreements in the legal community and on future individuals aggrieved by the organization are obvious. Potential attorneys,

knowing or learning that they would be denied the documentary evidence which had previously been available, denied assistance from the key witnesses against the organization, and denied assistance from the most knowledgeable attorneys in the world in this field of litigation would be more than reluctant to accept representation of aggrieved individuals. Add to that, the general knowledge in the legal community of the harassive and threatening practices of the organization toward adverse attorneys, and the fact that well respected attorneys such as Mr. Flynn had agreed to an unethical or illegal settlement to escape the litigation, and it is no surprise that this country's attorneys avoid representing the organization's many victims. The victims are effectively cut off from communication with witnesses and access to evidence, and their ability to obtain any legal representation denied.

I declare under the penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct and based on my personal knowledge, except those matters stated on information and belief, and as to those matters, I am informed and believe them to be true.

Executed this 16th day of July, 1991, at Los Angeles, California.

GERALD ARMSTRONG

MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

Ex. 1. 19. A.

"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block

20.

amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.

Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of

Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of $50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,

representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1986

GERALD ARMSTRONG

Witness

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND CONTENT:

MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986

for
CHURCH OF SCIENTOLOGY
INTERNATIONAL

EXHIBIT 8

Jerold Fagelbaum, Esq.
LAW OFFICES OF JEROLD FAGELBAUM
2029 Century Park East, Suite 3270
Los Angeles, California 90067
Telephone: (310) 286-7684

Attorneys for Defendants and Counter-Claimants
DAVID MAYO, AND THE CHURCH OF NEW CIVILIZATION

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Carpinteria, California 93013
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Attorneys for Defendants and Counter-Claimants
DAVID MAYO, CHURCH OF NEW CIVILIZATION, and Defendants
JOHN NELSON, HARVEY HABER, VIVIEN ZEGEL AND DEDE REISDORF



UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

RELIGIOUS TECHNOLOGY CENTER, a California corporation, et al., Plaintiffs, vs. ROBIN SCOTT, an individual, et al. Defendants.	CV 85-711 JMI (Bx) CV 85-7197 JMI (Bx) **SUPPORTING DECLARATION OF GERRY ARMSTRONG TO DEFENDANTS' AND COUNTER-CLAIMANTS' OPPOSITION TO PLAINTIFFS' AND COUNTER-DEFENDANTS' MOTION FOR PROTECTIVE ORDER RE FIFTH REQUEST FOR PRODUCTION OF DOCUMENTS OR THINGS AND FOR SANCTIONS**
RELIGIOUS TECHNOLOGY CENTER, a California corporation, et al., Plaintiffs, vs. LARRY WOLLERSHEIM, an individual, et al., Defendants.	
AND RELATED COUNTER-CLAIMS	**DATE: June 10, 1992** **TIME: 5:00 P.M.** **CTRM: Hon. James G. Kolts Special Master, Pasadena, Hilton**

DECLARATION OF GERRY ARMSTRONG

I, Gerry Armstrong, declare:

1. I am a party to that litigation known as Church of Scientology of California v. Gerald Armstrong, L.A.S.C. Case No. 420153 (hereinafter the "Armstrong" litigation).

2. I am familiar with the pleadings and records in the Armstrong litigation and submit this Declaration based upon my own personal knowledge of the matters contained herein, and if called as a witness, could and would competently testify thereto.

3. Exhibit "A" hereto are true and correct copies of Reporter's Transcripts of Proceedings held in the Armstrong litigation before the Honorable Paul G. Breckenridge, Jr.

4. Attached hereto as Exhibit "C" is a true and correct copy of a Supplemental Affidavit filed by myself in that litigation known as Tonja Burden v. Church of Scientology California, United States District Court, Middle District of Florida, Case No. 80-501-CIV-T-K.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this Declaration is made and executed this 27th day of May, 1992 at Los Angeles, California.

GERRY ARMSTRONG

EXHIBIT 9

[redacted] 9

I, GERALD ARMSTRONG, declare and state that:

1. I have made a previous declaration in this matter and reiterate that I was a member of Scientology from 1969 to 1981 and involved in litigation with various Scientology entities hereinafter referred to as "the Organization" since 1982 to the present. I am familiar with many of the witnesses, attorneys and victims who have been involved with various Scientology litigations and I have previously met and recognize the voice of Barry Van Sickle.

2. In the afternoon of July 16, 1991, I was present at the Law Offices of Joseph A. Yanny when Mr. Yanny received a telephone call from Mr. Barry Van Sickle which phone call was placed upon the speaker phone. I heard the conversation between Mr. Van Sickle and Mr. Yanny at that time and in its entirety. During the course of the conversation, Mr. Van Sickle recounted a conversation that he had had with Messrs. Quinn and Drescher regarding settlement of litigation between Bent Corydon and the Organization. Mr. Van Sickle stated that he had attended a number of such meetings at which settlement was discussed and that, at one particular meeting, a settlement document was transferred by Mr. Drescher to Mr. Van Sickle with respect to the Corydon litigation.

3. Mr. Van Sickle stated that, during the course of the aforementioned meeting, Messrs. Quinn and Drescher had stated that the objective of the settlement was to make peace. Mr. Van Sickle stated that Mr. Drescher stated, while handing over the settlement agreement, that he realized that the settlement agreement, as proposed, was harsh in its terms. Mr. Van Sickle

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stated further that Mr. Drescher indicated that while he realized it was unethical to suggest such a thing, it was the desire of his clients to have Mr. Van Sickle and Ms. Toby Plevin out of the Scientology litigation business.

I declare under the penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct and based on my personal knowledge, except those matters stated on information and belief, and as to those matters, I am informed and believe them to be true.

Executed this 16th day of July, 1991, at Los Angeles, California.

GERALD ARMSTRONG

EXHIBIT 11

HUB LAW OFFICES
Ford Greene, Esquire
California Bar No. 107601
711 Sir Francis Drake Boulevard
San Anselmo, California 94960-1949
Telephone: (415) 258-0360

Attorney for Plaintiffs
VICKI J. AZNARAN and
RICHARD N. AZNARAN

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

VICKI J. AZNARAN and RICHARD N. AZNARAN, Plaintiffs, vs. CHURCH OF SCIENTOLOGY OF CALIFORNIA, et al., Defendants. AND RELATED COUNTER CLAIM	No. CV-88-1786-JMI(Ex) **DECLARATION OF GERALD ARMSTRONG IN OPPOSITION TO MOTION TO EXCLUDE EXPERT TESTIMONY**

HUB LAW OFFICES
FORD GF E. ESQUIRE
711 SIR FRAN ARE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360

I, GERALD ARMSTRONG, declare:

1. I was a Scientologist from 1969 to 1981 and held many organizational positions during that period. I was also the defendant in an action entitled Church of Scientology vs. Armstrong, in Los Angeles Superior Court. Judge Breckenridge's opinion in that case was affirmed by the California Court of Appeal on July 29, 1991.

2. Throughout 1980 and 1981 I was L. Ron Hubbard's biographical researcher and archivist. During that period I read

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and studied his letter dated September 7, 1955 to the Federal Bureau of Investigation and I provided a copy of it to writer, Omar V. Garrison for his use in a biography of Hubbard. A true and correct copy thereof is attached hereto as Exhibit 1.

3. While I was a Scientologist I read and studied L. Ron Hubbard's Technical Bulletin of July 22, 1956. It was published in the 1970's in bound volumes of Hubbard's "technical" writings and has continued to be published in later volumes up to the present time. A true and correct copy is attached hereto as Exhibit 2.

Under penalty of perjury, pursuant to the laws of the United States I hereby declare that the foregoing is true and correct. Executed this 26th day of August, 1991, at San Anselmo, California.

GERALD ARMSTRONG

FORD GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360

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EXHIBIT 1



RON HUBBARD. D.D. PH.

(51)

Box 242
Silver Spring, Md.
Sept. 7, 1955

TO THE FEDERAL BUREAU OF INVESTIGATION
Communist Activities

Gentlemen:

A series of sudden insanities and disturbances in Dianetic and Scientology groups reached seven last week on the West Coast.

In Atomic Energy's Richland, Washington a young boy who had never been treated with Dianetics or Scientology but whose father Verne McAdams is the local Scientology group leader in Richland suddenly and mysteriously became insane, so suddenly and so thoroughly that the head of the institution for insane in Richland, evidently of good security, suspects the use of LSD, the insanity producing drug so favored by the APA. Two of our ministers in that area at my request went further into the situation and by means we will not detail recovered from the boy information of which his family had been entirely ignorant. On instructions to find the "other psychiatrist" our ministers by this means located an unsuspected one in Atomic Energy's front yard, a man who had been the construction company doctor during the building of Richland and who had then turned psychiatrist and whose name strangely enough is Menkowski (sp?). The boy had evidently had some association with this man before this sudden onset.

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With this information not yet cool long distance from San Francisco Bay Area notified us of the sudden and inexplicable descent into insanity of one Wanda Collins. She is ravingly insane and yet was completely sane a day ago. Her people and our people cannot account for a missing nine hour period just before this onset. You should be interested in this because Wanda Collins resigned from the Communist Party some time ago, foreswore it and tried to make amends with Scientology and would be a logical candidate for an LSD attack.

SEE REVERSE SIDE FOR ADD. DISSEMINATION

Concurrently with this in Phoenix, Arizona

20 SEP 1955

58 SEP 20

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A-29

(51)

our Mr. Edd Clark was suddenly arrested "for practising medicine without a license", and this is very odd because he is the first Dianeticist or Scientologist in five years of world wide operation to be so accused. He could not have been practising medicine because Dianetics and Scientology seek only to assist able people to improve their talents and have no interest in sickness or insanity. He was arrested and without any search warrant all his papers and letters were seized even down to blank typewriter paper and were carried away, a fact which places this matter quite solidly in the field of the F.B.I.. Mr. Clark is a half-blind deaf old man. He was once a chiropractor but has long since ceased to be one. He was told by the County Attorney that the County Attorney meant to "get to the bottom of this thing about Hubbard and Scientology."

The "bottom of the thing" can be found in "Who Knows and What" and "Who's Who in the East" in the local library or from bookstores which carry my books. My own life is about as hard to investigate as a white rock on a summer's day.

It is not uncommon in the past five years to have judges and attorneys mad-dogged at about what a terrible person I am and how foul is Scientology. Persons never named or available step in, spread violent tales and accusations and vanish. This mad-dogging has evidently been done at this County Attorney to prompt such a foolish action. This makes the third civil official in that area to go off half-cocked about Scientology. When it is all done and Scientology has been neatly ruined by the newspapers in the area and when all the charges have been quashed there is no one from whom any recompense can be drawn. "It was all a mistake".

In 1950 the Dianetics Foundations were violently attacked and discredited. The 200 Foundation employees, when screened, yielded 35 Communist-connected persons. That done the commotion stopped. After three quiet years in the Phoenix area we forwarded to the Defense Department data on brain-washing. Instantly

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we become the subject of violence. Four people were seized by psychiatrists in that area to date and to this day so far as I know are still being held, their sanity shattered.

After we so informed the Defense Department about brain-washing technologies in our hands and offered them, we have been in a state of siege. Understand that we accuse the D.D. of nothing.

Psychiatrists as far north as Seattle have said they were "out to get every Scientologist." An Internal Revenue official has used those very words before witnesses and said he was going to get to the bottom of this thing in Phoenix. People in suspicious condition were sent from one place in Southern California to be "treated by Scientology" for insanity and yet we have no interest in treating anyone, especially the insane. Now two more people go suddenly and inexplicably insane in widely different places both the same way. All manner of defamatory rumors have been scattered around about me, questioning even my sanity which is fortunately a matter of good record with the Navy as by statement "having no psychotic or neurotic symptoms whatsoever."

I have a wife and three little kids. I have a good many thousand people scattered around the world trying to help their fellow man and I am responsible for these people. I am trying to turn out some monographs on matters in my field of nuclear physics and psychology for submission to the government on the subject of alleviating some of the distress of radiation burns, a project I came east to complete. This lawless and brutal attack on Scientology now spreading evidently to three states will probably not end until a great deal of injustice and human suffering has occurred.

Would you please discover for me or for yourselves the exact names and whereabouts of the persons whose statements inflamed the County Attorney in Phoenix in arresting a half-blind old man and seizing all his books and papers. If we have those names and if we trace them back we will have someplace to start on this madness

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which now reaches into three states. Can you do this for us?

I am getting additional copies of the material which was offered to the Defense Department since that agency has not acknowledged or returned anything shipped to it about brain-washing and when I have these copies I will send one to you for this is the only starting place I know about for this outbreak and the matter, while far from conclusive at least tells me that something went astray which was dangerous in the wrong hands.

Could you please have your Phoenix office obtain the names of the people who defamed us to the County Attorney? Your Bay Area and Richland offices have already been apprised of the incidents in those areas.

L. Ron Hubbard

EXHIBIT 2

HUBBARD COMMUNICATIONS OFFICE
217a Kensington High Street, London W.8

RUSH July 22nd, 1956

To U.S. ONLY Julia Lewis, Dick Steven, L. Ron Hubbard, Jar.

To England ONLY Association Secretary (Jack Parthouse)
Director of Processing (Ann Walker)
Director of Training (Dennis Stephens)

Staff Auditors, Instructors and Auditors close to Operations only.

TECHNICAL BULLETIN OF 22 JULY 1956

I feel the urge to communicate to you the best news since 1950.

I have whipped the problems of the whole track and memory of the past and can resolve the worst cases we have ever had. That is a huge statement *but* I have solved and can untangle in an intensive the problems of the vacuum and havingness plus memory and health and have just done so. Hence the exuberance.

Also, other auditors can solve these in a case as well. NIBS has just cracked two six-year-standing Black Fives using some of this material and Herbie Parthouse has had considerable luck with solids.

We are now capable of solving Book One style cases to the extreme level of clear.

No wild burst of enthusiasm is here intended. I have to put the finishing touches on a lot of things and the process is still slow—25 to 75 hours. But I've now done it and seen it done to worse cases than any you've had. And that's fact!

Okay. It's not simple. It requires a minute understanding of Book One. It would take me 50 pages to explain all I've lately found about vacuums. You haven't seen the last of me or of study, but you will have seen the last of unsuccessful cases providing only that we have time and environment in which to audit them.

We can make homo novis. (AND give a grin to those who kept standing around bleating, "Where are the clears?")

We know more about life now than life does—for a fact, since *it* was reaching, we can communicate about the reactions.

The process is concerned with "making it solid" combined with effects. It isn't easy. It is wonderfully complex and delicate. But it *has* been done. And it is being done.

Our cases gained but sometimes slumped. Why? Because an electronic vacuum restimulated on the track after sessions, and robbed the case's havingness.

A vacuum isn't a hole. It's a collapsed bank. Every lifetime bank is collapsed into a vacuum.

The formula is—

1. Run pc on start-change and stop for *hours* until he is under auditor's control, in session and (often) exteriorized.
2. Then run him with commands "What are you looking at?" "Good." "Make it solid."

 He will eventually hit a vacuum. (He'd hit it faster on "Recall a can't have" but it's too fast.) Here's the tangle. The vacuum is a super-cold mass or an electric shock. This "drank up" bank electronically (brainwashed him). The energy drunk turned black. Hence black cases. (Does not apply only to black cases however.)
3. Run, interspersed with solids and "objective can't have" on the room, "Tell me an effect object (that drank bank) could *not* have on you." and "Tell me an effect you could have on object." Object may be electrodes or supercold plate or even a supercold glass.

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Caution, handle one vacuum at a time. These vacuums go back for 76 Trillion years. They were the original brainwash thetans did to one another, then psychiatrists (on the whole track) did expertly (modern psychiatrists are *punks*, modern shock too feeble to do more than restimulate old vacuums).

Take the vacuum that comes up running solids, or even "Recall a can't have", whatever it is and solve it as above.

This is delicate auditing. If you restimulate a vacuum too hard, the whole track groups on it.

Read Book One. Add vacuums instead of word groupers, use above and you'll probably get through to success. Nibs did and I had given him less than you have here. Of course, he's one of the best auditors in the business, so go easy. And Herbie Parthouse is no slouch.

CAUTIONARY

This is true—

1. We have created the *permanent* stable clear.
2. In creating him we have a homo novis in the full sense, not just an Operating Thetan.
3. We now know more than life. An oddity indeed!
4. We now know more about psychiatry than psychiatrists. We can brainwash faster than the Russians (20 secs to total amnesia against three years to slightly confused loyalty).
5. We can undo whatever psychiatrists do, even the tougher grade from away back. We can therefore undo a brainwash in 25 to 75 hours.
6. We can create something better than that outlined and promised in Book One.

BUT

1. We need to know more and be more accurate than ever before about the time track and auditing. I have not given a thousandth of what I know about this.
2. We have a new game but also new responsibilities amongst men.
3. This data in the wrong hands before we are fully prepared could raise the Devil literally.
4. Because we know more than the Insanity Gang, we're not fighting them.
5. Because we can undo what we do, we must retain a fine moral sense, tougher by far than any of the past.
6. We can create better than in Book One now *only* if we know Book One and know our full subject.

AND WE DO NOT YET KNOW ALL THE SAFETY PRECAUTION TO BE USED.

I will be giving this data in full at the Games Congress, Shoreham Hotel, WASHINGTON, D.C., August 31st, to September 3rd, 1956.

The exact regimen of this will be SLP 8 and will include the total picture of separating valences from bodies (which must still be done by the auditor, a formula I now have).

I have given you this data in this bulletin at this time because now I know I know and I want you to share in seeing the surge of vision which will be our future.

L. RON HUBBARD

P.S. (Actually, contrary to rumor, it *hasn't* all been done before. If it had been, the guy who is saying it has would be clear!)

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EXHIBIT 4 PAGE 9

EXHIBIT 12

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Telephone: (415) 258-0360

Attorney for Plaintiffs
VICKI J. AZNARAN and
RICHARD N. AZNARAN

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

VICKI J. AZNARAN and RICHARD N. AZNARAN, Plaintiffs, vs. CHURCH OF SCIENTOLOGY OF CALIFORNIA, et al., Defendants. AND RELATED COUNTER CLAIM	No. CV-88-1786-JMI(Ex) **DECLARATION OF GERALD ARMSTRONG REGARDING ALLEGED "TAINT" OF JOSEPH A. YANNY, ESQUIRE** Date: September 9, 1991 Time: Discretionary Ct: Hon. James M. Ideman

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DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, declare and state that:

1. I was a Scientologist and held many positions in many sectors of Scientology, hereinafter referred to as "the organization," from 1969 to 1981. I have been involved in organization litigation as a witness, defendant, plaintiff and paralegal from 1982 until the present. I have testified in three trials and in depositions in ten organization cases approximately forty-seven days. I have authored over twenty-five declarations concerning L. Ron Hubbard, Scientology practices and the litigation. I am by trade a philosopher, writer and artist. In 1986 I founded a church which now has many members internationally.

2. I am the defendant and cross-complainant in the case of Church of Scientology of California v. Armstrong Los Angeles Superior Court No. C420153. A decision in that case was rendered after a lengthy bench trial by Judge Paul G. Breckenridge, Jr. on June 20, 1984. The California Court of Appeal opinion, No. B025920, issued July 29, 1991, affirming the Superior Court's decision, has recently been filed in this case as an exhibit to the Aznarans' oppositions.

3. In December 1986 I entered into a settlement agreement with the organization, a copy of which is filed herewith as Exhibit 1. The organization did not honor the agreement, however, but has continued a program of threats and attacks to this day. I have detailed what I knew of these threats and attacks up to March 15, 1990 in my declaration of that date. The circumstances at the time of the settlement and a rebuttal of various organization attacks are contained in a declaration I executed on December 25, 1990. I can supply these declarations to the Court if it so wishes.

4. I make this declaration to respond to various allegations about me made by the organization in its papers recently filed in this case.

5. Organization attorney Laurie Bartilson states that my aid to attorney Ford Greene in preparing the Aznarans' recently filed oppositions to organization motions "violated this Court's orders and the Local Rules." (Defendants' Opposition To Ex Parte Application To File Plaintiffs' Genuine Statement of Issues [sic] Re Defendants' Motions (1) To Exclude Expert Testimony; and (2) For Separate Trial On Issues of Releases and Waivers; Request that Oppositions Be Stricken; hereinafter "Opp To Ex P", p.2,3.) I aid Mr. Greene and the Aznarans out of my own free will and my sense of right and wrong. If I am ordered by any lawfully constituted court to cease rendering such aid I will.

6. Ms. Bartilson states that I "[am] employed by joseph Yanny on this very case." (Opp To Ex P p.4) I am not.

7. Ms. Bartilson states that for me "to now have switched [my] aid to Greene's office further taints all (emphasis in original) of the papers filed by Greene..." (Opp To Ex P p.5) It doesn't, because there was not and is not any taint..

8. Ms. Bartilson states that my aiding Mr. Greene "is grounds for [his] disqualification." (Opp to Ex P p.5) It isn't; but if this Court were so to order me, I will comply.

9. Ms. Bartilson suggests that Mr. Greene should be disqualified because I am "a paralegal formerly employed by defendant's lawyers." (Opp To Ex P p.5) I have never been employed by any organization lawyer.

10. Ms. Bartilson declares that "[she has] been informed by private investigators hired by [her] law firm that [I] was present at Ford Greene's offices many times from August 3, 1991 through at least August 21, 1991,

often for hours and days at a time." (Opp To Ex P p.9,para 4) I was outside the United States from August 3 until August 10, and not in Marin County where Mr. Greene's office is located until August 13, 1991. Filed herewith as Exhibit 2 are copies of my boarding passes for my flights from San Francisco to Johannesburg, South Africa on July 19 and 20, returning August 9 and 10.

11. Organization attorney William Drescher states that "[a]s [I am] Yanny's paralegal on this case, [my] new affiliation as an assistant to Ford Greene is truly outrageous." (Supplemental Memorandum In Support of Defendants' Motion To Dismiss Complaint With Prejudice; hereinafter "Supp Memo," p.4) I am not Mr. Yanny's paralegal on this case, and my affiliation with Mr. Greene is wholly peaceful, lawful, decent, helpful, respectful, and humorous.

12. Mr. Drescher states that "Yanny's involvement in this case continues, this time through a different "extension"--the improper activities of Yanny's paralegal, Gerald Armstrong." (Supp Memo p.5) I am not Mr. Yanny's paralegal. I answered his call for help during the period he was attorney of record in this case. I spent parts of two days on July 15 and 16 in Mr. Yanny's office during which time the only "work" I did was to write two declarations, one of which was also used by Mr. Greene. Mr. Yanny gave me no instructions or suggestions at any time to pass on to Mr. Greene or to anyone else involved in the Aznaran litigation. I am not Mr. Yanny's "extension" into this case. This organization's actions in attempting to deny their victims, the Aznarans, not only legal representation but support to the Aznarans' legal representatives is what is improper.

13. Mr. Drescher states that in 1984 I was "plotting against the Scientology Churches and seeking out staff members who would be willing to assist [me] in overthrowing Church leadership." (Supp Memo p.5) The

organization is not a church. Organization operatives David Kluge and Michael Rinder sought me out and gained my trust through a close friend whom the organization coerced into participating in an operation to attempt to entrap me. The organization operatives stated that they wanted to reform the organization and rid it of its criminal activities and they asked me to help. They said they wanted to save Scientology from its criminal leadership. They stated they were operating secretly within the organization for fear of, inter alia, being killed. They used my willingness to communicate and to help to attempt to enveigle me into the commission of a crime. When that failed, the organization simply twisted my refusal to participate in the suggested criminal act into further accusations.

14. Mr. Drescher states that "[t]he Church obtained information about [my]plans and, through a police-sanctioned investigation, provided [me] with the "defectors" [I] sought." (Supp Memo p.5) That the organization and its lawyers have told this lie so many times in so many jurisdictions over so many years has not made it any more true now than when they concocted the plot. I was videotaped. The videos are still embarrassing to me because I use foul language. What I say does not mean what the organization and its lawyers say it means. A private investigator (who, during this period threatened to put a bullet between my eyes) obtained a false authorization from an LAPD officer, who was himself suspended six months for his participation in the crime. The organization did not obtain information about my plans; it created the whole operation, including what my "plans" were to be.

15. Mr. Drescher states that "[o]n November 30, 1984 [I] met with one Michael Rinder, an individual whom [I] thought to be one of [my] "agents" (but who in reality was loyal to the Church)" (parens in original). (Supp

Memo p.5) I never considered Rinder my agent, nor did I consider that I had any agents. Rinder was not loyal to the "church." He was being operated by what the operatives called the "criminal leadership."

16. Mr. Drescher states that "the conversation [was] recorded with written permission from law enforcement." (Supp Memo p.5) It wasn't. The Chief of the LAPD denied authorizing the illegal operation, and the officer was suspended for his "permission."

17. Mr. Drescher quotes some out-of-context statements from my November 1984 meeting with Michael Rinder and avers that they meant that I was recommending that the group of "reformers" did not need "actual evidence of wrongdoing to make allegations in Court against the Church leadership." (Supp Memo p.5) My answer to Rinder is out of frustration because he appeared to be unable to understand that a complaint contains allegations, and the proof of the allegations is achieved through documentation and testimony, including even the well-known fact of the organization's long history of destruction of evidence, obtained through the litigation up to the end of trial. Elsewhere and in other conversations I discussed with the "reformers" what was actually known and documented, and which could be alleged in the complaint they insisted they wanted to file. I discussed with the "reformers" an inventory of criminal acts for which we knew the organization was responsible. They included burglary of state and federal offices, theft, obstruction of justice, blackmail, assault, civil rights violations, immigration fraud, tax fraud, attempted entrapment of Federal judges, framing of my own attorney Michael Flynn, the use of preclear folder information against all Scientologists, all the acts which flowed from "fair game," and the use of their charitable corporation funds to carry out these criminal acts.

18. Organization attorney Eric Lieberman states that "the utter disregard of the truth that the Aznarans have made the trademark of their litigation effort, bears the unmistakable signature of Gerald Armstrong, whose theory of litigating against Churches of Scientology, as captured on videotape in 1984, is not to worry about what the facts really are, but instead to choose a state of "facts" that should survive a challenge by the Church and "just allege it."" (Reply In Support of Defendants' Motion For Summary Judgment Based On the Statute of Limitations; hereinafter "Reply Stat Lim," p.2,3) This is not true. It is simply further exploitation of the fruits of the organization's covert actions against me: the illegal 1984 videotape regarding what the organization calls the "Armstrong Operation." Until I started to help Mr. Greene, I had nothing to do with the Aznaran case, which was filed in April 1988, except for my help to Mr. Fanny described in paragraph 12 above. I have given no facts to the Aznarans, nor any legal strategy. Besides the declarations I have written, all of which are now before this Court, I have written not one word in any of the filed papers. My help to Ford Greene in all of the papers recently filed has been in proofreading, copying, collating, hole-punching, stapling, stamping, packaging, labeling, air freighting and mailing. Mr. Greene and I have had several conversations during this period, some of which certainly concerned the litigation.

19. Mr. Lieberman states that "[i]t is clear that [my] influence and philosophy permeates the Aznaran's oppositions." (Reply Stat Lim p.3) I pray that that is true, because my philosphy in litigating against the organization is to tell the truth, have the faith that, no matter what lies the organization tells or operations it runs or how threatening the organization appears to be, truth will prevail; that, no matter how the organization

perverts the law, manipulates courts, testifies falsely, fights unfairly, wields religion as a sword and then a shield and abuses the legal process, justice will, if fought for honorably, triumph.

20. Mr. Lieberman states that "[o]n August 19, 1991 [I] admitted to one of defendants' counsel that [I] was at Greene's office "helping out."" (Reply Stat Lim p.3) I admitted no such thing. I was doing nothing even faintly improper which would require admission. I have been completely up front about my being in Mr. Greene's office and helping him. It is the organization which has skulked around and engaged in improprieties which it should admit to. I was so shocked when I discovered the organization operatives videotaping me on August 20 that I wrote Mr. Lieberman to protest the harassment. When I found the operation continuing on August 21 I again wrote Mr. Lieberman, and called his office, advised one of his associates of the operation and pleaded that it be called off. Copies of my letters are filed herewith as Exhibits 3 and 4. Mr. Lieberman has not answered my letters, has not mentioned them in his papers, which he signed on August 26, but has escalated the attack on my character and intentions. The operation has continued at least until August 30. Because of its form and nature, and because of my knowledge of organization operations and its philosophy of opportunistic hatred, I believe that this operation does not have as its major goal the proof that I am helping Mr. Greene. I believe its goal is intimidation and the assembly of intelligence information for future acts.

21. Mr. Lieberman states that "the real thrust of the Aznarans' Opposition is...the "just allege it" philosophy of Yanny's paralegal, Gerald Armstrong." (Reply Stat Lim p.33) I am not Mr. Yanny's paralegal, and "just allege it" is really the organization's litigation theory. L. Ron Hubbard

established the Guardian's Office and then the Office of Special Affairs to carry out his way of litigating.

> "In the face of danger from Governments or courts.....
> If attacked on some vulnerable point by anyone or anything or any organization, always find or manufacture (empasis added) enough threat against them to cause them to sue for peace." L. Ron Hubbard, Policy Letter of 15 August, 1960 "Dept of Govt Affairs." (Exhibit 5)

22. Mr. Lieberman states that "[my] "helping out" while the Opposition was concocted not only reveals the continuing taint of Yanny's involvement with this case, it establishes the guiding principle that resulted in [the] Opposition..." (Reply Stat Lim p.34) Not one thing, not the ability to proofread, photocopy, collate, hole-punch, staple, package, label, air freight or mail that I did in connection with the preparation of the Aznarans' oppositions, did I learn from Mr. Yanny. Not the ability to spot and confront organization operatives did I learn from Mr. Yanny. Not the ability to write, nor any fact or idea or word in any declaration did I learn from Mr. Yanny. I have been the target of "fair" game since I left the organization in 1981, and understand its philosphy. I know the organization's litigation theories and practices and I understand the psychopathology of L. Ron Hubbard and why he and his organization came to be viewed by Courts as paranoid and schizophrenic. There is nothing Mr. Yanny could possibly tell me which would surprise me or be additional to what I know about this organization. Mr. Yanny has provided no "guiding principle" whatsoever. The organization, by making and maintaining fair game as its guiding principle, established the guiding principle in this litigation. The fair game doctrine will dog the organization as long as there are honest and free men or until the

organization, not denies its existence, but completely and sincerely repudiates it.

23. Mr. Lieberman states that "[my] philosophy of litigation is that facts and the truth are irrelevant and that all that is required to prevail is to allege whatever needs to be alleged." (Reply Stat Lim p.34) I have survived all the cross-examination and depositions by the organization, the documentation attacks by the organization, the character assassination by the organization, the use of my preclear folder information, the operations, the threats, the assaults, because truth is relevant. Although there undoubtedly is some memory loss over the past twenty-two years, and although there may even be some discrepancies in forty-seven days of sworn testimony, I have survived examination and cross-examination because I have, as much as is humanly possible, told the truth. I have said what I have known, known when I didn't know something, and stated my opinions as opinions. It is my opinion that one honest man can confront and vanquish a dishonest organization, no matter how big or how organized. Gratefully there are a few honest men to make the work lighter.

24. Mr. Lieberman states that "[t]he Aznarans' desperation to defeat this motion is so profound that they resort not only to the "just allege it" litigation philosophy of Joseph A Yanny's paralegal assigned to this case, Gerald Armstrong, but also to enlisting Armstrong's help in this cynical, say-anything-you-have-to approach to the truth." (Reply In Support of Defendants' Motion For Summary Judgment Pursuant To the First Amendment; hereinafter Reply First Am, p. 2) I am not Mr. Yanny's paralegal, and I am not assigned to this case. The desperation which resulted in the enlisting of my help had a purely logistical basis. Mr. Greene faced a mountain of organizational motions which required oppositions, and

no time to do them. He has no employees but a secretary who comes in a couple of evenings a week sometimes and sometimes on Saturdays. He needed simple office backup in the form of proofreading, photocopying, collating, hole-punching, etc. I am blessed with those simple office skills, and I have a knowledge of the subject matter and the cause in which Mr. Greene labors. I am aware of the awesome disparity of resources between Mr. Greene and the army of law firms, lawyers, paralegals, secretaries, and organizational legal machinery of his opposition. I am aware of the organization's policies and practices of neutralizing or eliminating the legal support of its enemies. How could anyone resist a call to help in this situation? It was not a conspiratorial thought that plunked me down over a year ago within running distance of the Hub Law Offices and sporting the same zip code. What it was was merely making the inevitable not only funny but easier.

25. Organization attorneys have made much of the fact that Joseph Yanny has been enjoined from representing me in litigation adverse to the organization. (Op To Ex P p.10; Supp Memo p.4) He is, of course, its former attorney. I have been working with Mr. Greene since August 17. I have not seen nor heard one word of Mr. Yanny's influence in this case, beyond the fact that the organization just alleged it.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct.

Executed on September 3, 1991 at Sleepy Hollow, California.

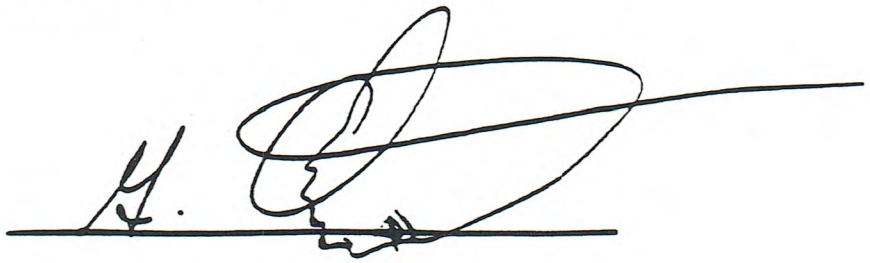


EXHIBIT 1

MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

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19. A.

"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block.

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amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.

Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

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for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of

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Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

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settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

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similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

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settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of $50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

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concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

00 20

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

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L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

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incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

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all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,

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representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

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jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1986

GERALD ARMSTRONG

Witness

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND CONTENT:

MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986

for
CHURCH OF SCIENTOLOGY
INTERNATIONAL

EXHIBIT 2

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EXHIBIT 3

Eric M. Lieberman, Esq.
Rabinowitz, Boudin, Standard,
Krinsky & Lieberman, P.C.
740 Broadway, Fifth Floor
New York, NY 10003-9518

August 21, 1991

Dear Mr. Lieberman:

Organization operatives filmed me yesterday at least in the following situations:

1. Talking to an employee of attorney Ford Greene, in the doorway to Mr. Greene's office, at 711 Sir Francis Drake in San Anselmo, California.

2. Walking outside Mr. Greene's office.

3. Pulling on a T-shirt outside Mr. Greene's office.

4. Running outside Mr. Green's office.

Whilst I was on foot I was also pursued by one of the operatives driving a white Cadillac.

The driver of the Cadillac was later confronted by Mr. Greene who also recorded the licence number of Cadillac and the other vehicle being used by the operatives.

I doubt that you find it hard to believe that I consider the organization's operation has as its major target in the eval known but to two or maybe three or even four the assassination of Gerry Armstrong.

I am not unmindful of your use of the earlier videotape event in your Petition For Rehearing filed in the Armstrong appeal (n. 1, p. 6, second edition; n. 2, p.5, first edition).

There was no reason to videotape me as proof that I was associating with Ford Greene. I had spoken the day before to two of your fellow org lawyers, Laurie Bartilson and Bill Drescher, and two men from SO legal liaison staff, Howard Guttfeld and August Murphy, and from none of whom had I withheld the fact that I was helping Mr. Greene. None of them were not aware that I was speaking to them from Mr. Greene's office because all of them except for Mr. Murphy called Mr. Greene's office and I had spoken to

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them when I answered Mr. Greene's telephone to take messages for him while he was out of his office. Mr. Murphy spent some time in Mr. Greene's office and we spoke for a few minutes. I am quite certain he left with the impression that I was helping Mr. Greene, and specifically in the Aznaran case since, in addition to my saying so, he did observe me carrying into Mr. Greene's office two boxes containing the mega-copies of the two Oppositions to Summary Judgment Motions (Statute of Limitations and First Amendment) and related documents, and did hear me lament that his organization had cost Mr. Greene that very day over seven hundred dollars in copying costs.

I did note the sophrosynial shift in the two writers of the second edition of the Petition For Rehearing. I imagine the organization's idea of having Marty talk to me is not in the works.

I'm sure you understand why I do help those who need it, and why people who litigate with the organization need it. And I'm sure you know how utterly unbiased I am in that all I oppose are antisocial policies and activities. In that Scientology denies that any of its policies or activities are antisocial I am not opposed in any way to what Scientology says it is and says it does. I am only opposed to antisocial policies and practices.

It is really a matter of logistics. Your organization scares people. It scares me. There are therefore few people willing to do what needs to be done regarding the organization. I am simply willing to do what I can no matter how scary it is. If there were not so many people afraid of your organization I wouldn't need to do what I can to help.

As you know, the organization has at times terrorized me, it has a policy of revenge, its present owners have a personal hatred for me, and it has acted with its fair game doctrine directing its attitude and acts toward me since and in violation of the settlement. Obviously, then, it is in every way reasonable for me to associate with and help those who have the courage to oppose the organizational beast.

Then there's the religious argument. And its legal corollary: if antisocial acts are religious, then so must be any opposition to antisocial acts.

Then there's the matter of theology.

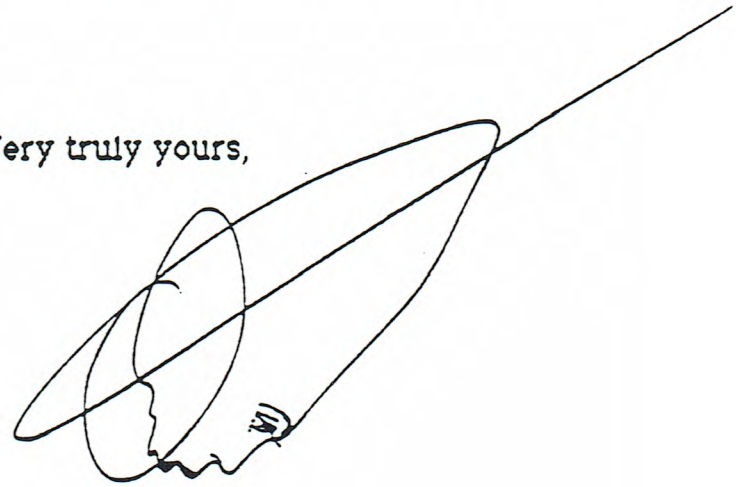
All of which brings me to the matter at hand. You know about compartmentalization, PIs, cutouts, lies and paranoia. There probably are things which can be done to bring the organization's self-destructive

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insitutionalized hatred to a peaceful conclusion. Although you exhibit in your most recent descriptions of me and in your willingness to go beyond mere factual twists, a new and greater animus,I still have an idea that you can do something.

I trust you'll reply.

Very truly yours,



Gerry Armstrong
(415)456-8450

EXHIBIT 4

Eric M. Lieberman, Esq.
Rabinowitz, Boudin, Standard,
Krinsky & Lieberman, P.C.
740 Broadway, Fifth Floor
New York, NY 10003-9518

August 22, 1991

Dear Mr. Lieberman:

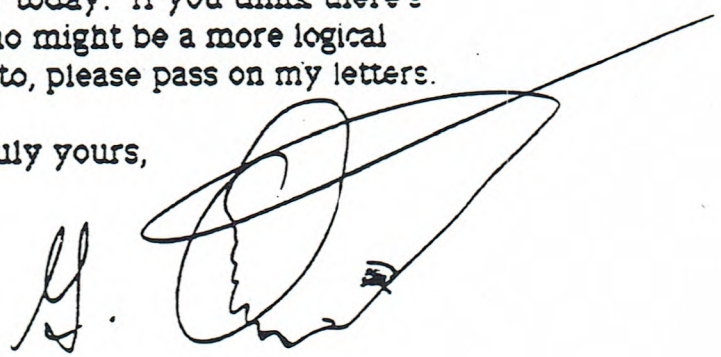
If there be any doubt about the veracity of the facts stated in my letter of yesterday please add these.

Yesterday, after writing you, I returned to Mr. Greene's office. At one point, in the late afternoon while standing outside talking to Mr. Greene, he noticed and pointed out a car perhaps a hundred yards away, across Sir Francis Drake and up a small hill. In it sat a man who at my first glace appeared to be watching us. I ran across SFD, up the hill and approached the car. I could see the man lower an object out of sight. I raised my hands, palms toward him to let him know I meant no harm and was unarmed; in case I had erred in my assessment that the man in the car was an operative, and I was approaching head on at flank speed an innocent innocently eating his dinner. He rolled up the window as I neared. I got very close and looked in the driver's window. He had dark hair, thick, a wiry appearance; i.e., his hair, somewhere in length between yours and mine, and a thick mustache. I couldn't smell his breath because, as I said, the window was rolled up, but I was close enough I imagined it. Height ± 6'. On the front seat beside him were, inter alia, a video camera and a clipboard and some lawyers' yellow pad sheets. His firearms were clearly out of sight. On the top sheet in pen were written a page of entries with a progression of times beside the entries. I tried to make them out; i.e, the entries, but I was, as you can imagine, freaking out, my pulse was up around 150; not from the short run up the hill but the terror these confrontations strike in me; from a rest rate of ± 48; and the driver, after a few second comm lag started the car and began to drive away. I put my body in front of the car because I wanted to get someone from law enforcement somewhere to do something but he let me know through unmistakable gestures that my body was not about to stop his forward progress so I, and I think in this case wisely, stepped aside and let him flee. I did run alongside the car and was near it when Mr. Greene arrived across SFD and also observed the driver and recorded the number from the car's muddied licence plate. When last seen his weapons were still out of sight; nor have I seen any more of him.

You might recall that when org operatives began their summer of 82 psycho-terror campaign I was able to detain the yellow VW by putting my body in front of it. Times and personalities have changed, the new fearless leader shoots photos of innocents with his 45, and for some totally baffling, unreasonably unreasonable reason you guys hate me. And you all sure act as if a sense of humor isn't a gift from God; and it is. Various people, on order from Hubbard or Miscavige, have tried , inter alia, libel, slander, threats, muscle, sworn false witness, frames, blackmail and betrayal. You can understand my concern at knowing that the top, the top operatives and the legal cutouts are chewing over the acts called for to satisfy the next gradient, while not even bothering to keep in mind what a flaming SP I am and what a threat I am to the future of mankind.

You will have probably received by now a report from Terry Gross in your office concerning my call to you of earlier today. If you think there's someone else connected to the organization who might be a more logical person for me to communicate these concerns to, please pass on my letters.

Very truly yours,



Gerry Armstrong
(415)456-8450

EXHIBIT 5

HUBBARD COMMUNICATIONS OFFICE
37 Fitzroy Street, London, W.1

HCO POLICY LETTER OF 15 AUGUST 1960
Re-issued from Sthil

Assn Secs
HCO Secs

DEPT OF GOVT AFFAIRS

(Cancels any previous directions to set up a Special Zone Dept)
(This Policy Letter is mandatory all Central Organizations)

There shall be established on a board level and outside the structure of the Central Org and HCO but under the board of HASI Ltd, a new department to be called "The Department of Government Affairs".

More and more, as governments disintegrate under the threat of atomic war and communism, central organizations have had to give high executive time to governmental affairs to the great loss of the organizations themselves. The enturbulence entered into Scientology activities by legal matters, tax matters, and matters of assisting governments to maintain stability, has sapped our time and fixed our attention to our own loss.

Now to remedy this situation, I wish to contain and cordon, in a military sense, this incursion and to prohibit utterly and completely such entrance (of these matters or our own project for governments) into Central Org or HCO comm lines. In other words, Central Orgs and HCOs are run by, for and as Scientology service and activity units and the special Department of Government Affairs shall handle other matters and specifically deny such non-Scientology matters entrance into organizational comm lines.

The Department of Government Affairs shall be headed and directed with a minimum of personnel and shall not be able to call upon the personnel of the Central Org or HCO for further assistance than the relay of communications.

The Director of Government Affairs shall be a fully qualified person of good judgement subject to control of the Board of Directors and shall be subject to the advices and directions of the Board and the HCO and Assn Secretary. Only Washington and South Africa are excluded from supervision of the Dept by the Assn Sec, Org Sec and HCO Sec. In all other offices the Director of Government Affairs shall be subordinate to the Assn Sec and HCO Sec.

Under this department comes the corporation's solicitors, attorneys, chartered accountants and any attorney or accountant hired directly by the corporation for outside legal or tax or filing purposes.

The allotment and issue of shares comes under this department, but the actual invoicing and banking shall be done as always by the Dept of Accounts or, for HCO, by the HCO Secretary.

All contracts, filings with the government, all tax reports and their preparation, corporation minutes, annual meetings, legal papers, suits against and by the corporation, whether HASI Ltd or HCO Ltd, all legal investigatory work and detectives, all contacts with government agents, bureaus and departments, all assistance to governments, messages to governments, handling answers from governments or courts shall be cared for by the Department, whether to advance or protect Scientology or its corporations by government or legal channels.

All legal documents and the Valuable Document files for HCO and HASI shall be kept by the Department in a proper safe in accordance with previous rules written for the keeping and handling of valuable documents.

All share sales reports and all legal, governmental and corporation reports to be made to the boards shall be made to it by this Department.

No shares may be advertised or issued save with the approval of this department.

No contracts, purchases or mortgages may be undertaken without the approval of this Department and then only by the action of this Department.

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It is clearly understood that the Department shall not undertake financial management for the Central Org or HCO nor may it direct the Central Org or HCO on purely Scientology affairs or Scientology dissemination except where these may impinge directly upon the government, and even then this Department is enjoined from forcing government laws or rulings upon the Central Org or HCO by threat of danger or ominous advices, nor may the Department employ either solicitors nor accountants who specialize in ominous advices to the Orgs since the Orgs could be discouraged or impeded by such.

The object of the Department is to broaden the impact of Scientology upon governments and other organizations and is to conduct itself so as to make the name and repute of Scientology better and more *forceful*. Therefore defensive tactics are frowned upon in the department. We are not trying to make the Central Orgs and HCOs "be good". We are trying to make their reach more secure and effective. Only attacks resolve threats.

In the face of danger from Govts or courts there are only two errors one can make: (a) do nothing and (b) defend. The right things to do with any threat are to (1) Find out if we want to play the offered game or not. (2) If not, to derail the offered game with a feint or attack upon the most vulnerable point which can be disclosed in the enemy ranks. (3) Make enough threat or clamor to cause the enemy to quail. (4) Don't try to get any money out of it. (5) Make every attack by us also sell Scientology and (6) Win. If attacked on some vulnerable point by anyone or anything or any organization, always find or manufacture enough threat against them to cause them to sue for peace. Peace is bought with an exchange of advantage, so make the advantage and then settle. Don't ever defend. Always attack. Don't ever do nothing. Unexpected attacks in the rear of the enemy's front ranks work best.

Never put the organization on "wait" because of courts or other matters. It's up to the Department to make the actions of HCO Secs and Org Secs *right*, not enjoin right actions on the HCO and Org Secs.

To win we must have treasure and verve. If a Central Org and HCO function perfectly as service units then treasure and consequent security for the further advance are to hand. If the Department operates with verve and elan, even with rashness, it will afford a screen behind which organizations can work.

Example: BMA attacks Scientology in Australia via the government. Answer: throw heavy communication against the weakest point of the BMA—its individual doctors. Rock them with petitions to have medical laws modified which they are to sign. Couple the BMA attack with any group hated by the government. Attack personally by threats or suits any person signing anything for the BMA. Slam the matter into politics, advance a bill into parliament that strips the BMA of all legal rights by opening healing to all. Make the attack by the BMA look ridiculous. Attack medical practices. Investigate horrible practices loudly. (*Always* investigate loudly never quietly.) Make the distinct public and governmental impression and BMA impression that they've run into a barrage of arrows or electronic cannon and that continued attack by them will cause their own disintegration. As all this is being done on a thought or idea level the restimulation of their engrams results in the total impression that they are surrounded by their own dead and the battery may fire again at any minute. And if one makes in writing not one slanderous or libelous statement, there is no defense by them. This example is patterned on what just happened and what we did in Australia where we are winning strongly.

The personnel of the Department should be freed of past track legal and governmental overts by the HGC using evening auditing. This is a must or the Department will otherwise attract attacks. Further, the higher the department personnel is raised on "control" through running help, the less action will have to be undertaken by it and the more it will actually accomplish without violent action.

The goal of the Department is to bring the government and hostile philosophies or societies into a state of complete compliance with the goals of Scientology. This is done by high level ability to control and in its absence by low level ability to overwhelm. Introvert such agencies. Control such agencies. Scientology is the only game on Earth where everybody wins. There is no overt in bringing good order.

The offices of the Department, so far as is possible, should be so situated as to bring no government traffic into the main avenues, comm lines or halls of the Central

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Organization or HCO or so as to divert it to the maximum extent from said avenues, comm lines and halls.

The following personnel appointments are made, conditional to acceptance, as Directors of Government Affairs:

United States:	Marilynn Routsong	Los Angeles:	Dick Steves
South Africa:	Jack Parkhouse	Australia:	Denny Gogerly
London:	George Hay	New Zealand:	Steve Stevens.

In the United States and South Africa the head of the Department of Government Affairs shall be also Trustee or Area Director of the Central Organization while the Org Sec and Assn Sec shall not be, but will be officers of the corporation.

This policy letter and these appointments are prompted by the following facts:

1. My own traffic on government legal affairs is far too heavy and I need help of magnitude on a continental level.
2. HCO Secs and Assn Secs are having difficulty holding down their Orgs and the field because of the time demanded by government affairs.
3. The activity will get heavier rather than lighter.
 (a) The deterioration of government order is accelerating with consequent confusion in all related affairs;
 (b) Increasing amounts of order must be maintained by us at a governmental level against the possibility of finding our areas without governments.
4. We are about to file HASI Ltd and HCO Ltd in all areas with the attendant heavy legal and governmental action necessary.
5. We are about to arrange for the release of and the issue of over half a million pounds of shares to the public, thus making heavy demands on legal and government lines.
6. We are about to finance and erect various media of communications, such as radio stations, on the various continents and this will require enormous amounts of liaison and action in such a department.
7. We are about to finance and find new quarters in the United States and such activities come under the new Department.
8. Due to new clearing techniques, our sphere of control is widening. This is purely a case phenomenon, but will be felt heavily by Orgs in the future. It is necessary to provide comm lines for this widening of influence.

LRH:js.gh.cden

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by L. Ron Hubbard
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L. RON HUBBARD

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

– HCO POLICY LETTER OF 22 AUGUST 1960

All Orgs
Sec EDs

DEPT OF GOVT RELATIONS

The Dept of Govt Relations may not use Org personnel for typing and mailing, and may only use Org personnel for reception, switchboard and despatch purposes.

Where numbers of mailing pieces are envisioned or where numbers of outside letters are to be sent by the Dept of Govt Relations, these may be done either by outside agencies or by a full or part time secretary to the Dir of G R. The necessary high appearance of G R letters and mailing pieces does not admit the use of mimeo and G R may not use organizational mimeo machines.

LRH:js.rd

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by L. Ron Hubbard
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L. RON HUBBARD

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PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: DECLARATION OF GERRY ARMSTRONG REGARDING ALLEGED "TAINT" OF JOSEPH A. YANNY, ESQUIRE

on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California: SEE ATTACHED SERVICE LIST

[X] (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

[] (Personal Service) I caused such envelope to be delivered by hand to the offices of the addressee.

[] (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

[X] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

DATED: September 4, 1991

FOND GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CA[illegible]RNIA 94960-1949
(415) 0360

AZNARAN vs. SCIENTOLOGY

Service List

JOHN C. ELSTEAD
Clifton, Polson & Elstead
6140 Stoneridge Road
Suite 500
Pleasanton, California 94588

EARLE C. COOLEY
Cooley, Manion, Moore & Jones, P.C.
21 Custom House Street
Boston, Massachusetts 02110

ERIC LIEBERMAN
Rabinowitz, Boudin, Standard,
Krinsky & Lieberman, P.C.
740 Broadway at Astor Place
New York, New York 10003-9518

WILLIAM T. DRESCHER
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Bowles & Moxon
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Hollywood, California 90028

JAMES H. BERRY, JR.
2049 Century Park East
Suite 2750
Los Angeles, California 90067

JOHN J. QUINN
Quinn, Kully & Morrow
520 South Grand Avenue
8th Floor
Los Angeles, California 90071

FORD GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360

N

[redacted]

AFFIDAVIT OF GERALD ARMSTRONG

I, Gerald Armstrong, depose and state:

1. I am a citizen of Canada and reside in San Anselmo, California, USA.

2. I am by trade a writer, artist and philosopher. I am also a paralegal and I am working in that capacity in the law office of attorney Ford Greene in San Anselmo. I am presently involved in litigation concerning the Scientology organization, hereinafter referred to as "the organization," as a paralegal, witness and defendant.

3. I am writing this affidavit at the request of Reader's Digest to provide some of my knowledge regarding certain charges first made about the organization in the Time magazine article, "The Thriving Cult of Greed and Power," condensed in the Reader's Digest article, "Scientology: A Dangerous Cult Goes Mainstream."

4. I was a member of the organization from 1969 to 1981 and held several staff positions in various organization locations and units. During that period I gained an intimate knowledge of organization structure, policies and practices. In 1982, I was declared an organization enemy and have been involved in organization litigation and the target of organization attacks ever since.

5. From February 1971 until September 1975 I was, except for short periods when I was sent on organization missions ashore, stationed on board the ship "Apollo," then the "flagship" of the Sea Organization. The Sea Org is the organization's

BERNARD SIEGLER - PIÈCE N° 68 - AVOCAT A LA COUR

paramilitary arm, members of which sign a billion year contract. Throughout the time I was on board, L. Ron Hubbard, the organization's founder and the Sea Org's Commodore, ran all of Scientology internationally from the ship, through his aides, the management bureaux and his Commodore's Messengers.

6. From the beginning of 1972 until 1974, I held the position of Ship's Representative or legal officer. In 1974 I held the positions of Port Captain and public relations officer. From the fall of 1974 until I left the ship in 1975 I was posted as the ship's Intelligence Officer. During those years I dealt with the immigration, customs, police and port authorities in all the countries the ship visited, and was actively involved in and knowledgeable of the ship's relations and problems in those countries. During 1974, the ship was ejected from Portugal and denied entry into Spanish ports. In 1975, the ship was denied entry into Barbados and ordered to leave Trinidad. I also learned through the study of organization documents while assigned to legal or intelligence positions on board, and the study of Hubbard's personal records when I was assigned to do the research for his biography in 1980 through 1981, that Hubbard and the ship had fled from England that Hubbard was prohibited from entering England, and that the ship had been ordered to leave Greece. The ship experienced problems of social or official rejection in virtually every port it entered. Based on my experiences and my knowledge of organization operations, I formed the opinion that the rejection in each instance stemmed from

Hubbard's and the organization's dishonesty. On Hubbard's orders all of the over four hundred people on board were required to lie about who we were, what we were doing, who ran the organization and what our intentions were. Hubbard's and the organization's insulting deceitfulness precipitated the antagonistic reactions in all the ship's ports of call.

7. Hubbard and the topmost clique of his organization enforced his policies and orders inside the organization and acted toward critics or any designated enemies outside the organization with threats, intimidation and force that is similar to the way the mafia is reputed to control its members and deal with perceived threats to its operations and leaders. Internally, Hubbard used the organization's prison system, known as the Rehabilitation Project Force or RPF, and threats of punishment or actual punishment, which could range from performing menial tasks as "amends," to being locked up in the ship's anchor chain locker or thrown overboard. Individual organization members whom Hubbard considered crossed him in any way would be forcibly ordered to the RPF, a humiliating existence where even the few rights of non-RPF organization members were stripped from them. While inside the organization, I was locked up and guarded on Hubbard's orders and assigned to the RPF on one occasion for seventeen months for allegedly antagonizing Mary Sue Hubbard's secretary, and on another occasion for eight months because Hubbard considered that I was joking about his movie-making abilities. I personally know of hundreds of good people

who were assigned to the degrading conditions of the RPF for the sole purpose of breaking their will in order to make them unthinkingly compliant with Hubbard's and his emissaries' desires.

8. Hubbard and the Sea Org seniors which ran the organization employed a broad array of techniques, some blatant and some insidious, but all reminiscent of totalitarian regimes or criminal groups, in order to maintain psychological and behavioral control over organization members. Members spied on each other and reported secretly any observed deviation from the enforced norm of unquestioning obedience. Members were routinely ordered to be security checked, or "sec checked," an invasive interrogation procedure employing an electropsychometer, or E-meter, as a lie detector. Members were also routinely ordered to write up their overts and withholds, (O/Ws), which are also called "crimes," and might include actual felonies for which the members could be prosecuted, thoughts critical of Hubbard or the organization, or even desires which deviated from organizationlly defined intentions. Members' lists of O/Ws and confessions extracted during sec checks were maintained in organization intelligence files and used as a threat to ensure obedience as well as to intimidate and suppress members should they ever leave the organization and speak out against its abusive practices. For public relations purposes, the organization insists that statements of persons undergoing counseling, or "auditing," are confidential between them and their "auditor," but these

statements or confessions were routinely provided to organization intelligence and enforcement personnel, and would be used by the organization in any manner that suited its purposes. Organization members were also regularly and publicly labeled by highorupc with names such as "traitor," "enemy" or "saboteur." Members were also required to publicly so label themselves and even accuse themselves of horrible imaginary "crimes," such as threatening the future of all mankind. Members were kept inside the organization by the threat that to leave, or even plan to leave, is a criminal act for which they would be declared an enemy and made subject of the "fair game law."

9. In the organization's early years Hubbard formulated a philosophy of opportunistic hatred, which he called "Fair Game," in order to justify his bullying and terrorist tactics toward anyone or any group he didn't like. In his published fair game doctrine he stated that anyone declared an enemy "may be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist...may be tricked, sued, lied to, or destroyed." To carry out covert operations pursuant to his fair game policy, Hubbard established within the organization an international intelligence bureau which he patterned after Nazi Germany's intelligence apparatus. I am very familiar with the organization's intelligence system and operations because I worked within it and have been its target since leaving the organization. Hubbard and the organization also employ private investigators (PIs) to harass, intimidate and ruin, by whatever

means are available, perceived critics. These PIs are often former police officers or off-duty police officers with ties into law enforcement agencies. Since I left the organization I have been tailed, spied on, threatened and assaulted by organization PIs. One PI attempted to involve my wife and me in a freeway accident, one threatened to put a bullet between my eyes and others have made false sworn statements about me. Organization operatives attempted to inveigle me into the commission of a crime, and videotaped me, claiming they were permitted to electronically spy on me by a fraudulent authorization from a corrupted Los Angeles Police Officer, who was suspended six months from the police force for giving organization agents such false authorization.

10. Pursuant to Hubbard's fair game doctrine the organization also employs countries' justice systems to harass, intimidate, silence and destroy its critics. Since I left the organization it has sued me twice, taken my deposition for purposes of harassment for more than twenty-five days, brought false contempt of court charges against me on three occasions, and attempted to have false criminal charges brought against me by the Los Angeles Police Department, the Los Angeles District Attorney and the US Federal Bureau of Investigation. The organization also employs corrupt lawyers to terrorize its critics with false charges, frivolous lawsuits, abuse of the legal process, manipulation of the courts and senseless legal actions intended to overwhelm and to bring about the perceived

Hubbard and ten of her coconspirators were convicted of federal crimes and sentenced to prison. L. Ron Hubbard, however, who had in truth established Mary Sue's criminal network and was behind all the felonies for which the "criminals" had been convicted, continued to run the organization. He merely replaced Mary Sue's group with another, even more ruthless, coterie of Sea Org members. He changed the name of the organization arm Mary Sue had headed, the "Guardian's Office," which included the intelligence bureau, to the "Office of Special Affairs." The functions remained the same, and the new agency continued Hubbard's practices of attacking and smearing critics, terrorizing members and non-members, abusing the legal process, destroying civil rights, and perpetrating assaults, theft, blackmail, and whatever else served their purposes, in the name of "fair game."

12. In December 1986, I entered into a settlement agreement with the organization which was to compensate me monetarily for my claims against the organization resulting from the many years of abuse and the attacks since I left in 1981, and to end the attacks and continual threats. The organization, after it removed my lawyers from defending me, however, did not honor the agreement, but renewed its policy and practice of opportunistic hatred toward me. Since the settlement the organization has filed numerous false statements about me in courts internationally and accused me of crimes which the organization itself manufactured. It has libeled me to the press and public,

spied on, videotaped, and terrorized me, sued me for acts it forced on me and is actively trying to destroy my job and livelihood and have me removed from my residence.

13. Attached hereto is a copy of my valid Canadian passport.

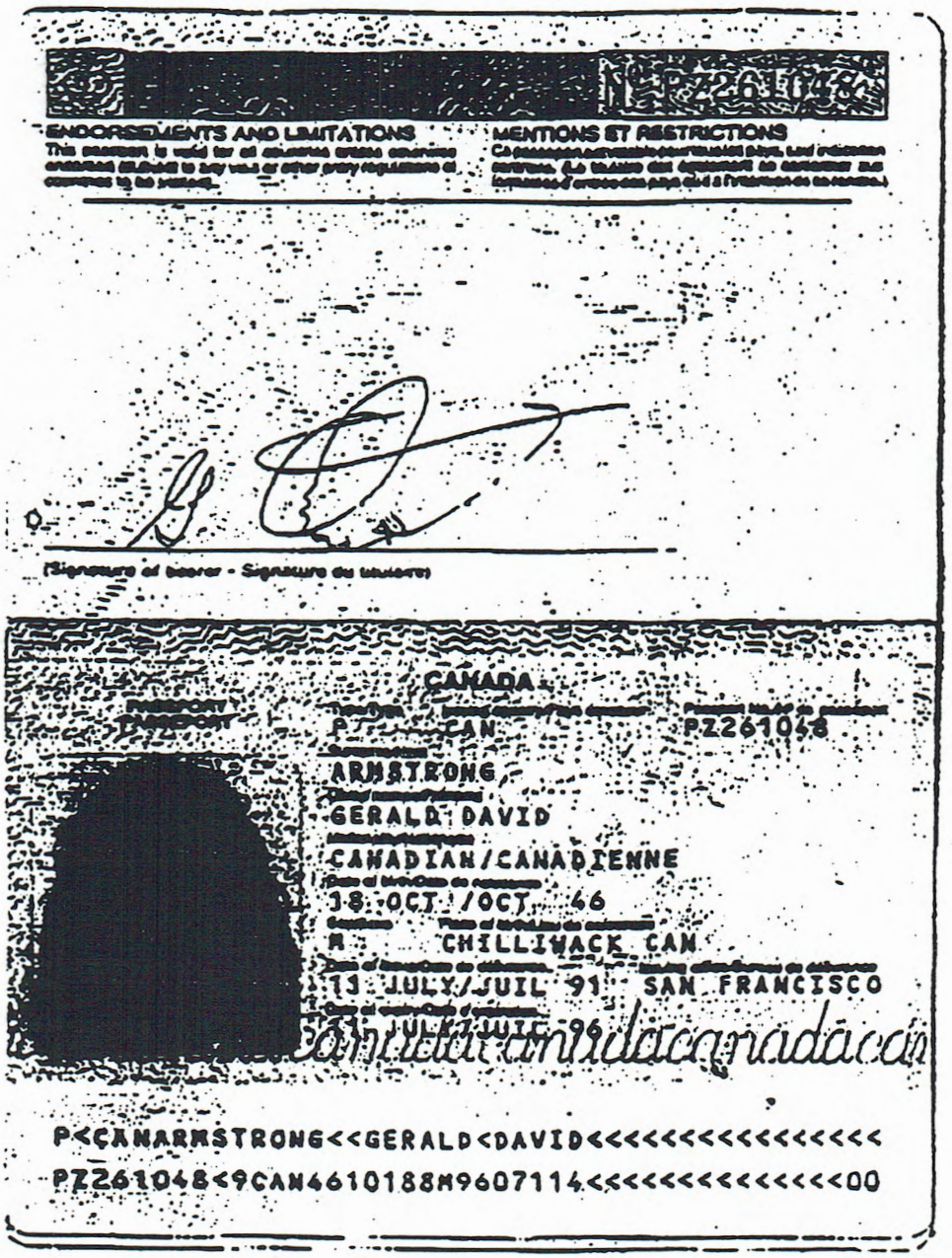
14. In delivering this testimony I know that it is destined to be produced in Court. I also know that false statements are criminally punished.

Gerald Armstrong

Sworn and subscribed to
before me this 19th day
of February 1992

OFFICIAL NOTARY SEAL
H VB HUNTER
Notary Public — California
MARIN COUNTY
My Comm. Exp. JAN 09, 1995

Notary Public



PZ261048

ENDORSEMENTS AND LIMITATIONS
This passport is valid for all countries unless otherwise limited. It may not be altered or otherwise modified, except by the issuer.

MENTIONS ET RESTRICTIONS
Ce passeport est valide pour tous les pays, sauf indication contraire. Il ne peut être modifié ou autrement altéré, sauf par l'autorité qui l'a délivré.

(Signature of bearer - Signature du titulaire)

CANADA

PASSPORT / PASSEPORT

P CAN PZ261048

ARMSTRONG
GERALD DAVID
CANADIAN/CANADIENNE
18 OCT /OCT 66
M CHILLIWACK, CAN
13 JULY/JUIL 91 SAN FRANCISCO
13 JULY/JUIL 96

P<CANARMSTRONG<<GERALD<DAVID<<<<<<<<<<<<<<<<
PZ261048<9CAN4610188M9607114<<<<<<<<<<<<<<00

EXHIBIT B

DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, state and declare:

1. I am the defendant and respondent in the case of Church of Scientology of California v. Gerald Armstrong, Los Angeles Superior Court No. C420153, and California Court of Appeal Nos. B025920 and B038975.

2. I am acting in propria persona in this case.

3. Plaintiff and cross-defendant Church of Scientology of California and cross-defendants Religious Technology Center and Church of Scientology International have filed a motion in the Los Angeles Superior Court to enforce the settlement agreement entered into by the parties in December 1986, and for liquidated damages. The opposition to this motion is due to be filed October 18, 1991.

4. I am not an attorney and cannot produce legal documents as rapidly as a competent attorney. I have, however, worked diligently to protect my rights in this case, and have prepared documents, which are listed in my ex parte application for extension to file an opposition to Scientology's motion to enforce, upon which I will depend to oppose that motion.

5. I have a full-time job unrelated to the preparation of an opposition to Scientology's motion.

6. I have been under a great deal of stress in the past two months relating to the Scientology organization's acts against me which has affected my work and life.

7. I have attempted to obtain an attorney to represent me specifically in the motion to enforce now before the court, but have so far been unsuccessful. I do not have the wherewithal to retain any attorney who would require a fee to defend me.

EXHIBIT Q

8. This matter is complex, covers several years of my involvement with the Scientology organization, and is very important to me.

9. I estimate that I will require an extension of time of thirty days to prepare and file an opposition, or to retain an attorney and educate him or her in the history of this case, collateral cases, the settlement agreement, and Scientology's policies and litigation practices, and have him or her prepare and file an opposition.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at San Anselmo, California this 17th day of October, 1991.



Gerald Armstrong

EXHIBIT C

Marin Independent Journal, Wednesday, November 11, 1992



IJ photo/Frankie Frost

CASH CRITIC: Gerald Armstrong of San Anselmo reflects on how the world would be a better place without money

Is money the root of problems?

Critic of cash, credit urges monetary abolition

By Richard Polito

Independent Journal reporter

Gerald Armstrong has an idea for dealing with the national debt — write it off. Forget it. It doesn't exist.

It's that easy.

The novel prescription for fixing the fiscal fiasco is only part of Armstrong's larger message that money should be abolished. No more pay checks, no more loan payments, no more taxes, and forget that $20 you owed your brother-in-law.

Bank presidents would clean up litter. Donald Trump could get a real job. The Financial District would be a ghost town with marble lobbies — and lots of parking.

And it all starts today.

In a rare moment of realism, Armstrong admits today's deadline "is probably not going to be achieved."

Renouncing cash, credit

Armstrong, self-proclaimed founder of the Organization of United Renunciants, set the date for people who have taken his "pledge of renunciation" to stop using money. Fellow renunciants will renounce all cash and credit, stop taking money, stop paying with money, forgive all their debts and stop keeping financial records.

The critic of credit has already put his money where his doubts are. He gave it all away. And it was more than pocket change.

Armstrong won an $800,000 settlement in a harassment suit against the Church of Scientology six years ago. Once a member of the inner circle, he is now a vocal critic.

Armstrong doesn't expect everyone to buy in from the start, just "somewhere between 1 and 11 percent."

He's a tad short. Armstrong can count only a handful of friends as converts, but he is trying to get the word out. Detailed proposals have gone out to Bill Clinton, Ross Perot and Pete Wilson (no one has tapped him for an economic advisory post just yet.) He has also written to the New York Times and other mega-media.

Ted Koppel has not called.

Money considered valueless

Armstrong is not discouraged.

The monetary messiah insists there is much about daily life that will not change. People will still go to work, shop at the market and pick out a new car every few years. They just wouldn't exchange any money along the way.

Money, in Armstrong's eyes, has no value and the existence of money has created entire industries that do nothing more than transfer mythical essences of value from one account to another.

In Armstrong's cashless Utopia, there would be total employment because people could do jobs they wanted to do and companies could employ more workers because they would not have to pay them. Farmers would still farm. Autoworkers would still make cars. Sewer workers would still shovel sludge.

And Disneyland would no longer charge admission.

LEWIS, D'AMATO, BRISBOIS & BISGAARD
DAVID B. PARKER
GRAHAM E. BERRY
JAYESH PATEL
221 North Figueroa Street, Suite 1200
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(213) 250-1800

JOSEPH A. YANNY, ESQ.
1925 Century Park East
Suite 1260
Los Angeles, California 90067
(213) 551-2966

Attorneys for Amicus Curiae JOSEPH A. YANNY, an individual and JOSEPH A. YANNY, a Professional Law Corporation

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, A California not-for-profit religious corporation, Plaintiff, vs. GERALD ARMSTRONG and DOES 1 through 25, inclusive, Defendants.	No. 152229 DECLARATION OF GRAHAM E. BERRY TO ALL EVIDENCE IN SUPPORT OF AMICUS CURIAE BRIEF IN OPPOSITION TO PLAINTIFF'S ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION; EXHIBITS A THROUGH BB TO THE DECLARATION OF GRAHAM E. BERRY IN SUPPORT OF AMICUS CURIAE BRIEF DATE: March 20, 1992 TIME: 9:00 a.m. DEPT: 4 [Filed Concurrently With Joseph A. Yanny's Amicus Curiae Brief; Appendix of Authorities In Support of Amicus Curiae Brief; Declaration of Graham E. Berry (Exhibits CC, DD); Declarations of Gerald Armstrong; Declarations of Michael J. Flynn, Esq.]

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DECLARATION OF GRAHAM E. BERRY

I, GRAHAM E. BERRY, declare:

1. I am an attorney duly licensed to practice in the State of California and am a member of the law firm of Lewis, D'Amato, Brisbois & Bisgaard, attorneys of record for Petitioners Joseph A. Yanny, an individual, and Joseph A. Yanny, a Professional Law Corporation ("Yanny") in this action.

2. I have personal knowledge of the facts contained in this Declaration and could and would competently testify to those facts if called upon to do so.

3. This Declaration is offered in support of Joseph A. Yanny's Amicus Curiae Brief in Opposition to Plaintiff's Order to Show Cause Re Preliminary Injunction.

4. Attached hereto as Exhibit A is a true and correct copy of Reporter's Partial Transcript, dated August 6, 1991, reported by Linda Staley, CSR No. 3359.

5. Attached hereto as Exhibit B is a true and correct copy of Reporter's Transcript of Proceedings, dated March 3, 1992, reported by Deborah S. Bartunek, CSR No. 4822.

6. Attached hereto as Exhibit C is a true and correct copy of a Letter from Graham E. Berry, Esq. to Laurie J. Bartilson, Esq., dated March 13, 1992.

7. Attached hereto as Exhibit D is a true and correct copy of L. Ron Hubbard, Technique 88, "On Control and Lying".

8. Attached hereto as Exhibit E is a true and correct copy of Memorandum of Intended Decision, dated June 22, 1984, in Armstrong I.

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9. Attached hereto as Exhibit F is a true and correct copy of excerpts from John Atack's "A Piece of Blue Sky, Scientology, Dianetics and L. Ron Hubbard Exposed", including Chapter Five.

10. Attached hereto as Exhibit G is a true and correct copy of excerpts from John Atack's "A Piece of Blue Sky, Scientology, Dianetics and L. Ron Hubbard Exposed", including Chapter Two.

11. Attached hereto as Exhibit H is a true and correct copy of a Letter from Gerald Armstrong to Eric M. Lieberman, Esq., dated August 21, 1991.

12. Attached hereto as Exhibit I is a true and correct copy of James B. Stewart, Jr.'s "Scientology's War Against Judges", dated December 1980.

13. Attached hereto as Exhibit J is a true and correct copy of "Misconduct by Judge Alleged in Scientology Suit", by Robert Welkos, Times Staff Writer, Los Angeles Times, dated September 20, 1988.

14. Attached hereto as Exhibit K is a true and correct copy of excerpts from John Atack's "A Piece of Blue Sky, Scientology, Dianetics and L. Ron Hubbard Exposed", including Chapter One.

15. Attached hereto as Exhibit L is a true and correct copy of Mutual Release of All Claims and Settlement Agreement, dated December 6, 1986.

16. Attached hereto as Exhibit M is a true and correct copy of Settlement Agreement, delineating dates from December 4, 1986 to December 20, 1986.

17. Attached hereto as Exhibit N is a true and correct copy of Minute Order, dated December 12, 1986.

18. Attached hereto as Exhibit O is a true and correct copy

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of Order Dismissing Action With Prejudice, dated December 11, 1986.

19. Attached hereto as Exhibit P is a true and correct copy of Reporter's Transcript of Proceedings, dated December 11, 1986, reported by Nancy L. Harris, CSR No. 644.

20. Attached hereto as Exhibit Q is a true and correct copy of Reporter's Transcript of Proceedings, dated December 23, 1991, reported by Herbert Cannon, CSR No. 1923.

21. Attached hereto as Exhibit R is a true and correct copy of Complaint for False Imprisonment; Intentional Infliction of Emotional Distress; Negligent Infliction of Emotional Distress; Loss of Consortium; Conspiracy; Breach of Contract; Restitution; Fraud; Invasion of Privacy; Breach of Statutory Duty to Pay Minimum Wages and Overtime [Cal. Lab. C. §1194]; and Constructive Fraud, dated April 1, 1988, in Aznaran v. Church of Scientology of California, Inc., et al., Case No. CV 88-1786 WDK (Ex).

22. Attached hereto as Exhibit S is a true and correct copy of Defendants' "Meet & Confer" Statement Regarding Defendants' Noticed Depositions of John J. Quinn, William T. Drescher and Laurie J. Bartilson and the Custodian of Records of Their Respective Law Firms, dated February 20, 1992, in Yanny II.

23. Attached hereto as Exhibit T is a true and correct copy of Verified Complaint for Damages and For Temporary, Preliminary and Permanent Injunctive Relief for Breach of Fiduciary Duty, dated July 18, 1991, in Yanny II.

24. Attached hereto as Exhibit U is a true and correct copy of Defendants' Verified First Amended Answer to Plaintiffs' Verified Complaint; Demand for Jury Trial, dated January 22, 1982, in Yanny II.

25. Attached hereto as Exhibit V is a true and correct copy

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of Eye's Only, Top Secret, "Project Quaker, (Refer to the persons concerned as 'the friends')".

26. Attached hereto as Exhibit W is a true and correct copy of Hubbard Communications Office, HCO Policy Letter of 18 October 1967, Issue IV, "Penalties for Lower Conditions".

27. Attached hereto as Exhibit X is a true and correct copy of "Re: Books, etc., Written About Scientology By SPs", dated October 7, 1971.

28. Attached hereto as Exhibit Y is a true and correct copy of a Scientology Letter to "Michael", dated May 20, 1975, re burglary, and breaking and entering.

29. Attached hereto as Exhibit Z is a true and correct copy of Sentencing Memorandum of the United States of America, dated December 16, 1980, in United States v. Jane Kember, U.S.D.C., District of Columbia, Criminal No. 78-401(2) & (3).

30. Attached hereto as Exhibit AA is a true and correct copy of "Int Hatting: The Strike", dated October 17, 1971.

31. Attached hereto as Exhibit BB is a true and correct copy of Declaration of Joseph A. Yanny, dated July 13, 1988.

32. Attached under separate cover entitled "Exhibit CC to the Declaration of Graham E. Berry" is a true and correct copy of Stipulation of Evidence, U.S. v. Hubbard, et al., U.S.D.C. for the District of Columbia, Criminal No. 78-401, dated October 1979.

33. Attached under separate cover entitled "Exhibit DD to the Declaration of Graham E. Berry" is a true and correct copy of Notice of Motion and Motion to Enforce Settlement Agreement; for Liquidated Damages and to Enjoin Future Violations, dated October 3, 1991, in Armstrong I.

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LAWYERS
SUITE 1200
[illegible] FIGUEROA STREET
LOS ANGELES CA 90017
(213) 250-1800

34. Attached under separate cover entitled "Declarations of Gerald Armstrong" are copies of the following exhibits:

(a) Affidavit of Gerald Armstrong, dated March 19, 1986 (Exhibit A);

(b) Declaration of Gerald Armstrong, dated November 1, 1986 (Exhibit B);

(c) Declaration of Gerald Armstrong, dated December 18, 1983 (Exhibit C);

(d) Declaration of Gerald Armstrong, dated November 7, 1986 (Exhibit D);

(e) Declaration of Gerald Armstrong, dated November 18, 1986 (Exhibit E);

(f) Declaration of Gerald Armstrong, dated March 15, 1990 (Exhibit F);

(g) Declaration of Gerald Armstrong, dated September 3, 1991 (Exhibit G);

(c) Declaration of Gerald Armstrong, dated May 7, 1985 (Exhibit H).

35. Attached under separate cover entitled "Declarations of Michael J. Flynn, Esq." are copies of the following exhibits:

(a) Affidavit of Michael J. Flynn, dated September 21, 1983 (Exhibit A);

(b) Declaration of Michael J. Flynn, dated November 7, 1984 (Exhibit B);

/ / /

/ / /

/ / /

/ / /

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ANGELES, CA 90012

(c) Declaration of Michael J. Flynn, dated July 1985 (Exhibit C).

I declare under penalty of perjury under the laws of the State of California that the following is true and correct.

Executed this 16th day of March, 1992 at Los Angeles, California.

Graham E. Berry

GRAHAM E. BERRY

Armsdecl.acb

LEWIS D'AMATO
ISBOIS & BISGAARD
LAWYERS
SUITE 1200
FIGUEROA STREET

Exhibit M

Work Copy

SETTLEMENT AGREEMENT

A. **PRIOR SETTLEMENTS:**

Settlement agreements made prior to November 1, 1986 and prior to the collective settlement stated below:

	Client	Amount	Fee and Expenses
(1)	Bears	$115,000.00	To be determined with local counsel
(2)	Garritys	$175,000.00	To be determined with local counsel
(3)	Petersons	$175,000.00	To be determined with local counsel
(4)	Jefferson	$150,000.00	To be determined with local counsel
(5)	Lockwood	$150,000.00	To be determined with local counsel
(6)	Hartwell	$150,000.00	To be determined with local counsel
		$915,000.00	To be determined with local counsel

B. **INDEPENDENT SETTLEMENT:**

The Christofferson-Titchborne settlement was made separate from the collective settlement. It was agreed to between attorney Gary McMurray, his client, Julie Christofferson-Titchborne and the Church of Scientology.

EXHIBIT H

Client	Amount	Fee and Expenses
Christofferson-Titchborne	$100,000.00	To be determined by attorney McMurray and client. None of the attorneys representing other clients in the collective settlement represent or have represented Christofferson-Titchborne.

C. COLLECTIVE SETTLEMENT:

The following cases/clients are part of a collective settlement made on December 11, 1986. The undersigned acknowledge that the settlement set forth above in Paragraphs A and B were made as separate settlements, meaning that the cases/clients listed in Paragraphs A and B agreed to the amounts stated therein prior to the collective settlement as in Paragraph A, and independent from the collective settlement as in Paragraph B. The total amount of the collective settlement is $2,800,000.00. The total amount of the collective settlement and the prior independent settlements in Paragraphs A and B is $3,815,000.00. The collective settlement allocation is as follows:

	Client	Amount	Fee and Expenses
(1)	Nancy Dincalci	$ 7,500.00	None
(2)	Kima Douglas	$ 7,500.00	None

EXHIBIT H

(3)	Robert Dardano	$ 15,000.00	None
(4)	Warren Friske	$ 15,000.00	None
(5)	William Franks	$ 40,000.00	None
(6)	Laurel Sullivan	$ 40,000.00	None
(7)	Edward Walters //	$100,000.00	To be determined between client and attorneys
(8)	Howard Schomer	$200,000.00	To be determined between attorney Bunch and client
(9)	Martin Samuels	$500,000.00	To be determined between attorney McMurray and client
(10)	Gerald Armstrong v. Church of Scientology	$800,000.00	To be determined between attorney Bunch and client
(11)	Fees and expenses to attorneys Contos & Bunch, Robert Kilbourne, Michael Flynn, and associated counsel for the prosecution and defense of various cases including the "Hubbard documents" case, the "check-frame up" case and the defense of approximately 17 lawsuits against attorney Flynn and his clients.	$500,000.00	To be determined between attorneys Contos & Bunch, Michael Flynn, Robert Kilbourne, and associated counsel
(12)	Flynn v. Ingram (No. _____) Flynn v. Hubbard (No. _____)	$575,000.00 -0-	To be determined between attorney Flynn and his counsel
		$2,800,000.00	

EXHIBIT

We, the undersigned, agree and acknowledge that (1) we have read the foregoing Settlement Agreement; (2) that we agree with the total settlement amount and the allocations to the respective cases/clients as set forth therein; (3) that we have either consulted, been advised to consult or have had the opportunity to consult with attorneys other than Michael J. Flynn who, we acknowledge is also a claimant against the Church of Scientology and L. Ron Hubbard; (4) that we agree to maintain the confidentiality of this Settlement Agreement; (5) that we acknowledge that many of the cases/clients involved in this settlement have been in litigation against the Church of Scientology for more than six to seven years, that many have been subjected to intense, and prolonged harassment by the Church of Scientology throughout the litigation, and that the value of the respective claims stated therein is measured in part by the (a) length and degree of harassment; (b) length and degree of involvement in the litigation; (c) the individual nature of each respective claim in connection with either their involvement with the Church of Scientology as a member and/or as a litigant; (d) the unique value of each case/client based on a variety of things including, but not limited to, the current procedural posture of a case, specific facts unique to each case, and financial, emotional or consequential damage in each case; that we agree and

EXHIBIT H

acknowledge that Michael J. Flynn has primarily been responsible for bearing the cost of the litigation over a period of approximately seven years, that he or his firm's members have been required to defend approximately 17 lawsuits and/or civil/criminal contempt actions instituted by the Church of Scientology against him, his associates and clients, that he and his family have been subjected to intense and prolonged harassment, and that his claims against the Church of Scientology and L. Ron Hubbard, and his participation as an attorney have a unique value which is accurately and properly reflected in the allocations set forth herein.

NANCY DINCALCI — DATE: Dec 5 1986

KIMA DOUGLAS — DATE: Dec 5 - 1986

ROBERT DARDANO — DATE: Dec - 10 - 1986

WARREN FRISKE — DATE: _____

LAUREL SULLIVAN — DATE: [illegible]

[illegible] — DATE: [illegible]

[illegible] — DATE: Dec. 6, 1986

EXHIBIT H

CAROL GARITY

DATE:

Paul Garity

WILLIAM FRANKS

DATE:

EDWARD WALTERS

DATE: December 7th 1986

HOWARD SCROMER

DATE: 12-5-86

MARTIN SAMUELS

DATE: Dec. 4, 1986

GERALD ARMSTRONG

DATE: 12-6-86

MICHAEL J. FLYNN

DATE:

CONTOS & BUNCH
A PROFESSIONAL CORPORATION

BY: ~~BRUCE M. BUNCH~~ JULIA RAGGUETT

DATE: 12-10-86

GARY AC MURRAY

DATE: December 6, 1986

ROBERT KILGOURNE

DATE:

Jane Peterson
3:3:17

DATE:

Richard Peterson

DATE:

-6-

EXHIBIT H

EXHIBIT E

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF MARIN

--o0o--

CHURCH OF SCIENTOLOGY, INTERNATIONAL, A California Not-For-Profit Corporation,

Plaintiffs,

vs.

GERALD ARMSTRONG, MICHAEL WALTON, et al.,

Defendants.

CERTIFIED COPY

No. 157 680

DEPOSITION OF

GERALD ARMSTRONG

--o0o--

Thursday, March 17, 1994

REPORTED BY: Sheenagh M. Carlson, CSR NO. 8350

Q. And where are they?

A. Massachusetts.

Q. Okay. What are their first names, if you --

A. Um, Iolna, I-O-L-N-A.

Q. Uh-huh.

A. And then there are some children involved.

Q. Did you write to her in August of 1990 and forgive the balance of that debt?

A. Yes.

Q. And was it approximately 30,000?

A. Something like that.

Q. All right. I didn't ask you this question about the letter to Mr. Walton and the letter to the Dawsons. If you looked for those letters, could you find it?

A. I think so.

Q. The final one that you mentioned was a couple that you loaned 70 or $100,000 to. Who was that?

A. The Douglases.

Q. The Douglases?

A. Yes.

Q. That's Michael and Kimit?

A. Kim.

Q. Kima?

A. K-I-M.

Q. Okay.

A. Then there's another one too.

Q. I'm not finished with that one. I appreciate your volunteering, but did you also write them in August of 1990 telling them you forgave the debt?

A. Right.

Q. And you could find that letter if you looked for it?

A. I believe so.

Q. Okay. You said there was someone else?

A. Lorrie Eaton.

Q. Okay.

A. L-O-R-R-I-E, E-A-T-O-N.

Q. And how much was your loan to her?

A. I'm not sure. A few thousand.

Q. Five or six or seven?

A. Something. I don't know.

Q. All right. And did you forgive that in August of 1990?

A. Yes.

A. Correct. I listened to what they said. I did not respond.

Q. Did there come a time when you did in fact talk to the London Sunday Times and give them some information?

A. No.

Q. Never?

A. (Witness shakes head.)

Q. What about the lawyers from Miller, did you ever talk to them and give them any information?

A. No.

Q. At some point did you reach a conclusion that you were not bound by the settlement agreement?

A. Well, in the broadest of sense I was told right from the beginning by my lawyer that I was not bound by it and that it was unenforceable and to quote him, it's not worth the paper it was printed on. I was told that a number of times.

Q. All right.

A. It was on that basis that I entered into the agreement knowing that it's unenforceable. It's unenforceable on its face.

Q. Okay.

A. It can't -- it's an illogical, stupid document but then, like I say, in fall of '89 I knew that I had to do something about it. I knew that I was being manipulated into a place of obstructing justice and I couldn't do it. And so in the fall of '89 was when I made a decision to do something. And then when I began to try and figure out what I could do, the first action I took was to file what I did in the court of appeal and that followed that. Then I filed a lengthy declaration which laid out what had transpired subsequent to the settlement agreement and that, that really contains -- that was the first real statement that I made of any kind.

Q. At some point did you decide that you would begin to help people who were litigating with the Church of Scientology?

A. I mean, not so broadly as that. There did come a time when --

MR. GREENE: Excuse me just a second. I'm going to object at this point that it's irrelevant to the subject matter of this lawsuit. Certainly relevant to the lawsuits that are stayed in L.A. Superior Court, but it's irrelevant to this lawsuit.

Q. Forgive or forget any obligations they had to you?

A. No.

Q. Did you ever give them any of your assets?

A. No.

Q. How about Anthony Armstrong; is he your brother?

A. Yes.

Q. Did he ever owe you any money?

A. No.

Q. He owns a share of TGAC?

A. Yes.

Q. Did you ever give him any assets?

A. No.

Q. Okay. Now, can you tell me with respect to TGAC what assets you gave to TGAC when you gave them to them?

A. I gave, I gave the corporation my writings, my drawings, up to 1988, and my office equipment and that sort of stuff.

Q. Okay. Did they, did TGAC give you anything in return for that?

A. They gave me a hundred percent ownership.

Q. Of the corporation?

A. Right.

Q. All right. So you basically transferred your assets or those assets to the corporation and you got all the stock?

A. Right.

Q. And then eventually the stock ended up with the people I've just asked you about, the Armstrong -- McPherson, Michael Dick, Trevor Dick, Colin Dick, Anthony Armstrong, the Douglases and Mr. Laff; (phonetic) is that right?

A. Well, I'm not sure what you mean by eventually, but at one time the stock was owned completely by Michael Walton, Michael Douglas, Lorien Phippeny and Nancy Roads. Subsequently the corporation sold some stock and subsequently, those four majority shareholders gave back to me a majority stock.

Q. So do you, how much of TGAC stock do you hold today?

A. Eighty percent.

Q. And Lorien Phippeny owns no shares today; is that right?

A. Correct.

Q. Who is she, by the way?

A. She's a friend.

Q. Okay. Did you give her any assets in August of 1990?

A. I've already told you she's the same as --

Q. That's Bambi Sparks?

A. Right.

Q. All right. Nancy Roads, did you give her anything in August of 1990?

A. Those shares of sock.

Q. That's it?

A. Correct.

Q. Nothing else. And you reacquired that 80 percent ownership of TGAC by gift from those people that you mentioned; is that right?

A. Correct.

Q. And that's, did each of those individuals, before giving it to you, own 20 percent; is that what it was?

A. Correct.

Q. Each owned one share?

A. Well, there was a stock split and what was one share got divided up into a hundred.

Q. So --

A. And so they each own 25.

MR. WILSON: I withdraw it.

Q. You expect that TGAC will be very well in 1994; is that basically it?

A. Uh-huh.

Q. After you gave the Fawn Drive residence to Mr. Walton, you continued to live there for some period of time; is that right?

A. Yes.

Q. For how long?

A. Well, I moved around a lot during that period, but essentially that was my home base until August of '91.

Q. Okay. In August of 1990, did you have any credit cards?

A. Yes.

Q. Did you keep those?

A. Yes.

Q. Did they have outstanding debit balances?

A. I don't, I don't think so at that time, although I did use them subsequently. But I think that they were either zeroed out or close to zero.

Q. At the time in August of 1990?

A. My recollection, but --

STATE OF CALIFORNIA)

) SS

COUNTY OF SONOMA)

I, SHEENAGH M. CARLSON, holding CSR License Number 8350, hereby certify that, pursuant to Notice to take the foregoing deposition, said witness was by me duly sworn to tell the truth, the whole truth and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place stated herein; that the testimony of the said witness was recorded by me by stenotype, and that the said deposition was under my direction thereafter reduced to computer transcript and, when completed, was available to said witness for signature before any Notary Public,

I further certify that I am not of counsel or attorney for either of the parties to said depositi nor in any way interested in the outcome of the cau named in the caption.

IN WITNESS WHEREOF, I have hereunto set my hand this day of Tuesday, March 29th, 1994.

csr

Sheenagh M. Carlson, CSR 8350
Certified Shorthand Reporter.

EXHIBIT F

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

[redacted]

COPY

- - -

RELIGIOUS TECHNOLOGY CENTER, A California Non-Profit Religious Corporation; CHURCH OF SCIENTOLOGY INTERNATIONAL, A Non-Profit Religious Corporation; and CHURCH OF SCIENTOLOGY OF CALIFORNIA, A Non-Profit Religious corporation, Plaintiffs, vs. JOSEPH A. YANNY, an individual; JOSEPH A. YANNY, a professional law corporation, and DOES 1-25, inclusive, Defendants.	No: BC 033035 VOLUME III

VOLUME III - DEPOSITION OF

GERALD ARMSTRONG

SANTA MONICA, CALIFORNIA

MARCH 16, 1992

[redacted]

ATKINSON-BAKER AND ASSOCIATES, INC.
CERTIFIED SHORTHAND REPORTERS
1612 West Olive Avenue, Suite 203
Burbank, California 91506
(818) 566-8840

REPORTED BY: JAN SERRA, CSR NO. 8207

FILE NO.: 9202566

Q You've indicated in a prior deposition that Joseph Yanny is a member of your Church, right?

A Right.

Q When did he become a member?

A I believe 1990.

Q Where was he when he became a member?

A When the subject first came up we were at his house.

Q This is the first time he ever met you?

A The first time I ever met Yanny was in L.A. Superior Courthouse.

Q And he wasn't a member when you met him in the courthouse?

A No.

Q Is Rick Wynn a member of your Church?

A I don't know.

Q You don't know who the members are?

MR. GREENE: Objection. That's a badgering and argumentative question.

THE REFEREE: Oh, sustained, just as to form.

Q BY MR. MOXON: Do you know who the members are?

A I know -- as I told you earlier, I personally know at least 30. But I have not barred

THE REFEREE: Sustained.

A (No response)

Q BY MR. MOXON: Have you ever heard anybody refer to you as "reverend" before in the context of this new church?

A They may have.

Q You don't have any reverends, do you?

A Uhm, just to backtrack a little bit.

Those sorts of titles are not used, but if someone chose to call himself reverend, I would not object.

Q Mr. Patel is not a member of your Church, is he?

A I don't know.

Q You don't have any list of members, do you?

MR. PATEL: Objection, vague and ambiguous.

Are you talking about a membership list?

THE REFEREE: You mean a written list?

Q BY MR. MOXON: Do you have a written list of members?

A I have a list of some members.

Q In writing?

A Yes.

Q Outside of your deposition testimony is there a written list?

A Correct.

Q When was that created?

A Beyond that I'm not going to go into anything about that list.

Q I didn't ask who was on it, I asked when it was created?

A Between 1986 and now.

Q When was there first any list, in writing, of members?

A 1986.

Q Were you the only name on the list in 1986?

A Are you serious?

Was that a serious question or are you just pulling my leg?

MR. MOXON: (Shakes head affirmatively)

A The answer's no.

Q BY MR. MOXON: Have you ever had any communications with Rick Wynn about being a member?

MR. GREENE: Objection, right of privacy.

MR. PATEL: And asked and answered.

Q BY MR. MOXON: No, this is one of the specific questions that Judge Cardenas ordered you to

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES)

I, JAN W. SERRA, CSR No. 8207, Certified Shorthand Reporter, certify:

That the foregoing proceedings were, taken before me at the time and place therein set forth, at which time the witness,

GERALD ARMSTRONG,

was put under oath by me;

That the testimony of the witness And all objections made at the time of the examination were recorded stenographically by me and were thereafter transcribed;

That the foregoing is a true and correct transcript of my shorthand notes so taken.

I further certify that I am not a relative or employee of any attorney of any of the parties, nor financially interested in the action.

Dated this March 24, 1992.

Jan Serra

Certified Shorthand Reporter

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

COPY

- - -

RELIGIOUS TECHNOLOGY CENTER, A California Non-Profit Religious Corporation; CHURCH OF SCIENTOLOGY INTERNATIONAL, A Non-Profit Religious Corporation; and CHURCH OF SCIENTOLOGY OF CALIFORNIA, A Non-Profit Religious corporation, Plaintiffs, vs. JOSEPH A. YANNY, an individual; JOSEPH A. YANNY, a professional law corporation, and DOES 1-25, inclusive, Defendants.	No: BC 033035 VOLUME IV

VOLUME IV - DEPOSITION OF

GERALD ARMSTRONG

SANTA MONICA, CALIFORNIA

MARCH 17, 1992

ATKINSON-BAKER AND ASSOCIATES, INC.
CERTIFIED SHORTHAND REPORTERS
1612 West Olive Avenue, Suite 203
Burbank, California 91506
(818) 566-8840

REPORTED BY: JAN SERRA, CSR NO. 8207

FILE NO.: 9202565

The witness has said there is no Church, there is no name, no building, they don't bring any money in.

I'm establishing facts that there is no conceivable privilege here. I would like to be permitted to get the facts here.

THE REFEREE: Okay.

What do you do Mr. Armstrong?

A Aside from anything that I do with regards to the Church, I am a paralegal, and I am the director of another business.

Q BY MR. MOXON: Who are you a paralegal for, Mr. Greene?

A Yes.

Q Is he a member of your Church?

A Yes.

Q When did he become a member of your Church?

A My recollection is approximately August or September of 1991.

Q When you got hired to work on the Aznaran case, around that time?

MR. GREENE: Objection, irrelevant.

THE REFEREE: Overruled, you can answer that.

privilege for communications with Bent Corydon asserting that he was a member of Bent Corydon's Church?

Are you aware of that?

A I have read something to that effect in that Mr. Drescher brought it up in a hearing.

Q Is Bent Corydon a member of your Church?

A Yes.

Q And your communications with him you deem to be privileged also?

A I think the majority of any communications would fall under that.

Q Corydon still has his own Church, right?

A I'm not aware of another Church.

Q You knew that Yanny had claimed a privilege for communication with Corydon, asserting that he was a member of Corydon's Church, right?

MR. GREENE: Objection, asked and answered.

THE REFEREE: I think it has been asked and answered.

A (No response)

Q BY MR. MOXON: Yet you're not aware of the fact that Corydon has a Church himself?

A I don't believe I've ever discussed that

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES)

I, JAN W. SERRA, CSR No. 8207, Certified Shorthand Reporter, certify:

That the foregoing proceedings were, taken before me at the time and place therein set forth, at which time the witness:

GERALD ARMSTRONG,

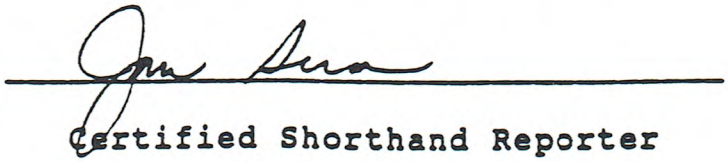
was put under oath by me;

That the testimony of the witness And all objections made at the time of the examination were recorded stenographically by me and were thereafter transcribed;

That the foregoing is a true and correct transcript of my shorthand notes so taken.

I further certify that I am not a relative or employee of any attorney of any of the parties, nor financially interested in the action.

Dated this March 17, 1992.



Certified Shorthand Reporter

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

COPY

- - -

RELIGIOUS TECHNOLOGY CENTER, A California Non-Profit Religious Corporation; CHURCH OF SCIENTOLOGY INTERNATIONAL, A Non-Profit Religious Corporation; and CHURCH OF SCIENTOLOGY OF CALIFORNIA, A Non-Profit Religious corporation, Plaintiffs, vs. JOSEPH A. YANNY, an individual; JOSEPH A. YANNY, a professional law corporation, and DOES 1-25, inclusive, Defendants.	No: BC 033035 VOLUME V

VOLUME V - DEPOSITION OF

GERALD ARMSTRONG

SANTA MONICA, CALIFORNIA

APRIL 7, 1992

ATKINSON-BAKER AND ASSOCIATES, INC.
CERTIFIED SHORTHAND REPORTERS
1612 West Olive Avenue, Suite 203
Burbank, California 91506
(818) 566-8840

REPORTED BY: JAN SERRA, CSR NO. 8207

FILE NO.: 9202677

branch from my side in the hope that the organization would do what Flynn was representing to me they were going to do, that was get out of the litigation business.

Q Where did the videotaping take place?

A It was in a hotel in Westwood I believe.

Q Who was present?

A Mike Flynn.

Larry Heller.

Mike Sutter.

And somebody else I didn't know. The videotaping person I don't think I knew.

Q You mentioned Mr. Heller, correct?

A Right.

Q Have you had subsequent dealings with Mr. Heller?

A Yes.

Q How did you come to have subsequent dealings with Mr. Heller?

MR. MOXON: Objection.

Q BY MR. BERRY: Who is Mr. Heller?

A He's a lawyer for the organization.

Q How have you come to have subsequent dealings with him?

MR. MOXON: Objection, irrelevant Your

Honor. He hasn't tied this to Yanny's knowledge of anything concerning these agreements.

Lacks foundation also.

THE REFEREE: What's the connection here Mr. Berry?

MR. BERRY: The connection here is that it appears that this Settlement Agreement has been used by Mr. Heller as a means to try and silence this witnesses testimony, despite its terms which permit him to give evidence under subpoena.

That is relevant to the organization's behavior both to this witness and to the judicial system in general, as reflected in a 9th affirmative defense of illegality.

THE REFEREE: Your question was what direct contacts did the witness have with Mr. Heller?

MR. BERRY: What circumstance, and then I'll follow up with what Mr. Heller told and said to Mr. Armstrong.

MR. MOXON: That's irrelevant with respect to this case. What has that got to do with Mr. Yanny's state of mind?

He hasn't tied any of this to what Mr. Armstrong has told Mr. Yanny or how Mr. Yanny might have learned what this witness felt or knew or had to

do with Mr. Heller, or the agreements or anything else. It's completely -- there is a substantial lack of foundation for all of these questions.

THE REFEREE: I think part of Mr. Yanny's theory, if I understand it, is he seeks to prove a defense in the nature of necessity and some kind of pattern of conduct.

So overruled, and you may answer.

MR. MOXON: I understand that defense that he's raised. But what Mr. Berry has not done is indicate that this witness imparted any of his knowledge he's just testified about -- for the last half hour -- to Mr. Yanny.

Without that knowledge being imparted to Mr. Yanny, whatever happened anywhere is completely irrelevant to Mr. Yanny's state of mind.

MR. BERRY: I would ask Mr. Moxon, that he have the courtesy to make his objections and let them lie.

During his examination we made our objections and then let them lie for the trial court to determine.

THE REFEREE: Thank you.

But anyway, the objection's overruled and you may answer.

A I received a deposition subpoena in the case of Bent Corydon versus Scientology. And I was called after receiving the subpoena by Larry Heller. And there were three telephone calls from Mr. Heller during October and November of 1989.

And during that series of telephone calls he threatened me a couple of times, I believe three times, with lawsuits if I were to testify about my experiences in the organization.

He mentioned specifically on the Hubbard archives post and he mentioned specifically Hubbard misrepresentations. For example, that he was a nuclear physicist. Mr. Heller said if I were to testify about that that that would be a breach of the Settlement Agreement and that I would be sued. Mr. Heller wanted me to refuse to answer any questions in a deposition and force the Corydon side to bring a motion to compel.

He further said that if they were awarded sanctions as a result of my refusal to testify that the organization would pay the sanctions.

He also offered to have a lawyer represent me. And he wanted to -- I asked if it could be a lawyer of my choice and he said okay, as long as the lawyer did what they wanted. What they wanted was

EXHIBIT G

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF MARIN

--oOo--

CERTIFIED COPY

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation,

Plaintiff,

vs. No. 157 680

GERALD ARMSTRONG; MICHAEL WALTON; THE GERALD ARMSTRONG CORPORATION, a California for-profit corporation; DOES 1 through 100, inclusive,

Defendants.

_____/

DEPOSITION OF

MICHAEL L. WALTON

FRIDAY, MARCH 18, 1994

REPORTED BY: JOANNE M. FARRELL, CSR NO. 4838

do in the sequence department. That's why I'm trying to nail down the sequence.

A. Okay. My answer stands.

Q. Okay. Now, you had more than one conversation with Gerald in order to make yourself feel that the actions of him planning to give away his assets were not related to some sort of self-destructive impulse; right?

A. Yes.

Q. Are you able to recall approximately how many such conversations you had?

A. No. They were ongoing for a week or two weeks. Probably three lengthy ones or four lengthy ones. And by "lengthy," half an hour, 45 minutes, an hour, something like that.

Q. Going back to the initial conversation in the library --

A. I'm not sure that that was the initial one, but it was in that group.

Q. Going back to the conversation in the library where Gerald told you about his determination to give away most of his assets was, you mentioned the word "religious" in connection with that. Can you provide us with any further detail about that conversation?

A. He specifically said that God had spoken to him. I think during that conversation I may have asked him if there wasn't some way that he could reserve his assets in a manner that would allow him to do what he needed to do and do what he felt like his calling was and if it didn't work out, then he could go back and have access to his assets again, which is pretty much, I guess, what's being alleged here.

He said no, that that wasn't what he was being directed to do, and that would -- not encumber him, but it was my impression -- it was my impression from a number of things, not just this conversation, and I can't really tell you precisely that conversation because they are so blended by now, but just in general, during those conversations, it was my impression that a number of other things had happened that were burdensome to Gerry, and the money aspect of his life was extremely burdensome.

I think we both had fears about what was going to happen when the fund was out because the house was proving to be very expensive to operate. And it was just my impression -- and I think Gerry may have said something along the line that he

didn't need that pressure in his life -- to do what he felt like he needed to do, what he was being called to do, he had to just get rid of it.

And that was borne out some months later, after he'd made the transfers, and I was just getting married or I had just gotten married, and I suggested to him that by that time, I think my wife and I had put a lot more money into the house; that if he had any reservations about what he had done, maybe there was some way we could work some sort of -- work backwards out of the deal somehow, because we were getting ready to put a lot more time, energy, and money into the house, and I wanted to still make sure, but that was later.

Q. So then Gerald specifically told you that he had been directed by God to give away most of his assets, and that included the house; is that right?

A. That's correct.

Q. And he did not specifically say to you anything else about his reasons for giving away the house, but you had other impressions; is that right?

A. That's right.

CERTIFICATE OF REPORTER

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this MAR 9 8 1994 day of _____, 19____

Joanne M Fabrega

CERTIFIED SHORTHAND REPORTER

STATE OF CALIFORNIA

EXHIBIT H

8-14-90

Dear Michael:

This is what right now seems sensible:

1. I would like to transfer my interest and equity in this house to you. You can do it in whatever way makes the most sense, is legal, and incurs no tax liability. Since nothing has really changed, considering taxing nothing is a

G. ARMSTRONG
EXHIBIT NO. 2
3/17/94
S. CARLSON

needless, albeit poetic, activity. It might be a trust you administer.

2. Whatever cash there is in our current joint accounts will be solely yours, except for the repayment to me of whatever expenditures I have made from my personal accounts for house repair / upgrade items since the move.

3. It finally struck me as

(3.) Beautiful to issue shares in T G A C as follows:

Michael Walton	25
Michael Douglas	25
Nancy Rodes	25
Barbi Sparks	25

I will prepare an inventory of corporation tangibles and will bring all records up to date.

4. I will give Barbi my car and personal effects, except for certain

(4.)

piece of furniture
which I consider
belong in this house
I will give her
whatever cash I
have personally at
the time I give it
to her.

5. I will forgive
all debts.

6. My timetable
is a bit uncertain,
but I have in mind
right now to complet
1-5 above by August
24th & then I'll
go to Laurel's wedding

000033

(5.)

I've just sent in applications to the Columbia Valley 1/2 Marathon (9-3-90 in B.C.) and the Portland Marathon (9-30-90) so those dates will govern my travel plans (if I do the races). It's my hope at this time to continue training wherever I am. It's my guess that you and I will have

business over the next few months that will make my presence here sensible for a period of time.

There are other details.

000000

EXHIBIT I

Andrew H. Wilson
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Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation; Plaintiff, vs. GERALD ARMSTRONG; DOES 1 through 25, inclusive, Defendants.	Case No. 152229 DECLARATION OF LAWRENCE E. HELLER

I, LAWRENCE E. HELLER, hereby declare:

1. I am an attorney at law duly licensed to practice before all of the courts of the State of California and am a partner in the law firm of Turner, Gerstenfeld, Wilk & Tigerman. I have personal knowledge of the matters set forth below, and if called upon to do so, could and would competently testify thereto.

2. In 1986 I assisted various Churches of Scientology to achieve the settlement of a series of lawsuits with attorney

Michael J. Flynn and a several other attorneys around the country, who represented a number of plaintiffs and witnesses against those Churches of Scientology. Gerald Armstrong was one of these plaintiffs.

3. To finalize this settlement with Armstrong, I met with Mr. Armstrong and his attorney, Michael Flynn, in Los Angeles on December 6, 1986. I was present when Mr. Armstrong, in the presence of his attorney signed the Settlement Agreement with the Church of Scientology International. This meeting and signing was video taped.

4. Attached as Exhibit A to this Declaration is a copy of the video tape made at that meeting. I have reviewed this tape and state that it accurately depicts all of the events of that meeting.

5. Attached as Exbit B is a copy of the transcript of that video tape. I have reviewed this transcript against the video, itself, and state that it is an accurate transcription of the video.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 2nd day of March, 1992, at Los Angeles, California.

Lawrence E. Heller

Exhibit B

TRANSCRIPT OF GERALD ARMSTRONG VIDEO RECORDING OF SETTLEMENT AGREEMENT SIGNING

Appearances: December 6, 1986

LH: Larry Heller

GA: Gerald Armstrong

MF: Michael Flynn

JR: Jo Ann Richardson (Notary)

MS: Michael Sutter (Witness)

BEGINNING OF TAPE

LH This is fine, that covers everything and um; we're alright.

MF How many you got there?

LH Well I got the two affidavits for, then I got these here which, um, we don't have to sign these on video tape - we can do it if you like...

MF It makes no difference to me.

LH It's all the same to me too...

LH OK. It's now 9:04, ah, pm on December 6 1986 and to my left is Gerald Armstrong and next to him Michael J. Flynn. Um, Mr. Armstrong, I understand Mr. Flynn is your attorney here representing you today, is that correct?

GA Right.

LH OK. Ah, Mr. Armstrong I'm going to ask you to sign three documents, ah, a mutual release of all claims and settlement agreement, and two separate affidavits. Prior to doing so however, I would like to ask you some questions with regard to those documents, um-hum, excuse me, which I would like you to answer freely and honestly if you would. Ah, first of all have you had a chance to, ah, completely and comprehensively review and read these documents?

GA Yeah.

LH OK. Have you had a chance to discuss these documents with your attorney, Mr. Flynn?

GA Yes.

LH Has Mr. Flynn explained these documents as well the legal and factual ramifications to you, legal and practical ramifications to you to your satisfaction?

GA Uh, I think so, yes.

LH OK. Well do you have any question of that whatsoever?

GA No, I have no current questions about it.

LH OK, very good. You are going to sign these of your own free will?

GA Yes.

LH OK. You are not suffering from any duress or coercion which is compelling you to sign these documents?

GA No.

LH Alright, you are not presently under the influence of alcohol or any medication, prescription or otherwise, which would impede your ability to comprehend the um, legal and factual intent of these documents?

GA No.

LH Um, you may have noticed in reviewing the settlement agreement that, ah, you are part of a what we have generically described as a universal settlement, ah, what I mean by that is and you probably know that independently as well, as you're smiling. What I mean by that...

GA ... no, just that, that's the same as a global settlement, right?

LH It's the same thing. Exactly.

GA Got it.

LH I said generically described so far, universal, global, all encompassing - whatever you like, but the intent of it is that, um, you are one of many claimants uh, who uh, contend that they have claims against the Church of Scientology as well as related and unrelated entities and individuals. Some of those claimants have litigation such as you do pending against the Church of Scientology, some of them don't.

Uh, as you also may or may not know, uh, one lump sum payment is being made to Mr. Flynn. Um, Mr. Flynn is then

going to be distributing from that lump sum certain sums to some or all of these claimants...

MF After I go to Rio.

LH After he goes to Rio, exactly. Neither I nor my clients know what the nature or amount that that distribution is um, and we don't want to know. Uh, what's important to us is that you realize that it's a universal/global settlement; that you realize that you are getting paid a certain amount out of that settlement, if you in fact are, and I'm making the assumption you are, but that, uh, and also that you tell me while we're now on video tape that you are happy and satisfied with the amount that Mr. Flynn has promised to pay you.

(phone rings and is answered)

GA Yes.

LH OK, now, other than any representations which Mr. Flynn has made to you in order to uh, get you to sign this uh, have any other representations been made by either myself or my clients or anything else which has compelled you to sign these documents?

Now, what I'm saying to you is there are obviously representations in the documents...

GA Correct.

LH Mr. Flynn has spoken with you - he has said you will get this and that for the, uh, whether money or other consideration for the signing of these documents...

GA Right.

LH OK, now I want to make sure that were there any other representations made to you of anything you would get in consideration for the signing of these documents.

GA Not in terms of what I would get: no.

LH OK. Along those same lines - As I said this is a universal settlement - ah, accordingly, ah, it is possible that some of the other parties may not settle for some reason, and I want you to be aware of the fact that if in fact one of those other, one or more of those other parties do not settle, this settlement falls through. You're aware of that?

GA OK.

LH OK, and you're also aware of the fact however that we are putting these in what is in effect an escrow account - these documents and this video tape - an escrow, um, sort of holding place, uh, so that all of these documents in the video tape will be destroyed if the, uh, settlement does not go through. And you're aware of all that? ...OK?

GA Um-hum.

LH OK, uh, with that then why don't we take a picture of the mutual release of all claims and settlement agreement and then I'll ask you to sign it.

...zoom to document...

LH OK, now what I'm going to ask you to do is please is to initial each of the bottom of each of these pages, I'll turn the page for you and then you'll sign it, I think in two different places if you would.

...GA initials the document...

MF Oh you've got a signature there, Lar.

LH Oh, I'm sorry...that's right...right up here.

...GA continues to initial and sign the document...

LH OK and if you'd date and sign there please.

...GA signs the document...

MF You didn't want to eat dinner with any of those people anyway.

LH No, what did I want to go out to dinner for. Is that crazy? OK, let's see, if you give it to Mr. Flynn, he'll sign it ... and you'll take two separate pictures of these Ted.

...zoom into document...

MF Little art work?

GA I think it...I think we have to, seeing as that's how the checks are.

LH OK and I've just taken a picture of this affidavit and asked that you initial at the bottom of the pages and then sign it once you get your pen back.

...GA signs document...

MF (Laughs)

LH OK, and here is the second affidavit...

...zoom into document...

LH OK.

...GA signs document...

MF How do you do that so quickly? That's awesome.

LH Um... OK, do you have any sort of identification on you so we can give it to the notary?

GA Sure.

LH So she can notarize your documents.

GA We haven't met before, have we?

JR No.

LH Why don't I have you sign...

LH Uh, I don't think we need to take a picture of this, this is the stipulated sealing order but you know what, all of these are for Bruce Bunch's signature I think...

MF Oh, are they...

LH Because...

MF Should we get Bruce donw here at some point?

LH Well...

MF Bruce is in trial I think...

GA Yeah, he is.

MF Yeah, whatever, we can get Bruce back down here. He's in the middle of a trial...

LH I think I'd want either Bruce or Julia's signature on this.

MF Julia would probably be easier...

LH Yeah...

MF Cause Bruce is in the middle of a trial.

LH Well we can arrange for that, that shouldn't be a problem...

MF Well she's coming Monday to do hers...right?

LH Exactly, um, ok, I noticed by the way, in this stipulation for return of sealed materials, it also has Mr. Armstrong's signature and your signature on it so...Let's take a picture of that.

...zoom into document...

LH And have you had a chance to read this yet Mr. Armstrong?

GA Yeah.

LH OK...alright... would you date and sign that please.

GA I keep thinking it's '85.

LH It's a good way...certainly...not to confuse your signature...

GA No.

LH ...Because Mr. Armstrong is, um, putting a face on his signature.

GA Makes it valuable.

LH Exactly.

MF It's awesome...as opposed to my ugly scrawl.

LH You probably have the same artistic talent that I have, which is...

MF Mine is zero.

LH Zero to none. OK, and I think that's it. Thank you Ted. Oh OK, or do you have any questions?

GA No, no

MF Those are orders...

LH These are orders which will be signed by the attorneys which will relate to sealing the files so that no one can get into them as well dismissing your actions. Those will be signed when the entire settlement is finished, um, and then given to the court for Judge Breckenridge's signature.

GA OK...

LH OK.

MF We should put how many docs we got...

GA Do you need duplicate sets signed? Or is that...

MF No, no there's only one...

LH No.

...counting documents...

MF 1-2-3-4 here.

LH OK, I've got two here which is six and then there's two affidavits which is eight.

LH OK, and if you got a drivers license or...

GA Right here.

JR He gave it to me...

LH Already got it?

GA Yeah.

JR You need to put your signature there and your address there please.

LH So you had a good time today?

MF Oh yeah, we had an excellent time, it was very pleasant and we had a nice plane ride up - nice plane ride back...

LH Well Michael's good company.

MF Nice visit with ah...yeah, Mike's very good company... nice, pleasant...

LH I've flown with him once or twice myself.

MF Yeah.

LH The trouble with me, he ususally sleeps. I'm not sure why that is.

MF No, we didn't sleep, (laughs).

MF Witnesses, we need witnesses with some of these docs.

LH Uh, no I think there was a one...that's right.

MF ...several are needed...

LH ...well, just, no only...

MF ...just the release.

LH Only the ah, mutual release...did I see a witness signature there? And there were... you know let's get Ted back - As a matter of fact Ted, why don't you roll this again because we're going to have witnesses sign. Thanks for reminding me.

MS Should Ted be a witness?

LH Oh, you two were witnesses so far... OK, we're back on the camera - 9:15 - and I neglected to get witnesses signatures on the uh, mutual release of all claims and settlement agreement so why don't I do that right now.

...Witnesses sign...

MS Just the one?

LH Okee-dokee, yup, and those are affidavits. Will you stamp them? Thanks Ted. Allright, so...we want to put up all this down in the vault...

MF This all goes together.

LH ...and you've marked that stuff for Michael Hertzberg.

MF Yeah. All marked.

END OF TAPE

EXHIBIT J

DECLARATION OF VICKI J. AZNARAN

I, VICKI J. AZNARAN, hereby declare as follows:

1. I am over 18 years of age and a resident of the State of Texas. I have personal knowledge of the matters set forth herein and, if called upon to do so, could and would competently testify thereto.

2. From 1972 until 1987, I was a member of various Church of Scientology ("Church") entities. During that time I held a number of important positions in the corporate and ecclesiastical hierarchy of the Church. I was also a devout believer in the religion of Scientology. In March of 1987, my husband Richard Aznaran and I left our positions with the Church and returned home to Texas from California. At the time we left, Richard and I voluntarily executed certain releases and waivers in full settlement of any and all disputes we had with the Church. In April 1988, notwithstanding our execution of those releases and waivers, Richard and I filed a lawsuit against several Church entities and individuals in the United States District Court for the Central District of California.

3. During the time I was a senior Church executive, I gained first hand knowledge of the manner in which some apostate former Church members had pursued civil claims against the Church, and obtained successful verdicts or judgments or favorable settlements notwithstanding the merits. The courts consistently allowed the Church's adversaries leeway to introduce allegations without regard to the normal rules of procedure and evidence. At the time, this was a source of great concern to me, both as a Scientologist and a Church executive, particularly

since my staff duties included responsibilities regarding certain areas of litigation.

4. Thus, having participated in Scientology litigation both as a Church executive and as a litigant against the Church, I bring two distinct, but related, perspectives to this declaration from my personal knowledge and observation. First, at the time my husband and I brought our own suit I understood that the legal system could be used to pursue my position. Later, upon having sued various Scientology churches and having allied myself with other litigants and their counsel suing Scientology churches, I observed first hand the ways in which the legal system is successfully used by litigants and counsel opposing the Church.

5. The fundamental premise upon which the Church's adversaries and their lawyers operate is the likelihood that courts and juries are willing to believe any allegation made against the Church by a former member, without regard to plausibility, contrary evidence or the true facts. That concept was most succinctly expressed, on videotape, by anti-Scientology litigant, Gerald Armstrong, when he stated that a lack of documents or evidence was no impediment to litigating against the Church when the litigant can "just allege it." The active pursuit of that litigation approach has now led to the formation of a small group of disaffected Scientologists who are now employed by an even smaller number of attorneys who are making a practice of litigating against the Church. This stable of witnesses can be relied upon to furnish "corroboration" for any allegation which an attorney wishes to make against the Church in

pleadings, at deposition, in affidavits, and ultimately in trial testimony.

6. The abusive device most consistently utilized by litigants and counsel adverse to the Church occurs in connection with the filing of declarations or affidavits. It is common knowledge among the stable of disaffected ex-Scientologists who supply such sworn statements that the attorneys dictate the desired content of such testimony with the primary, often sole, purpose of presenting inflammatory accusations that prejudice the Church in the eyes of the court. In such declarations or affidavits, context, the truth, and relevance to the issues in the case are disregarded altogether. As time has passed and this technique has evolved, anti-Church litigants and their counsel have become more and more emboldened in making such declarations and affidavits because the tactic has proven to be so effective in poisoning courts and juries against the Church.

7. The most common and probably the most devastating manifestation of this tactic is the use of allegations concerning the so-called "Fair Game" policy of the Church. The term "Fair Game" has been misrepresented and repeatedly used by the Church's litigation adversaries as a means to create prejudice against the Church. To accomplish that end, counsel fashions a declaration in which the witness identifies an ugly event -- real, imagined, or just plain invented -- and then alleges that it was a deliberate act which was committed by the Church. The idea is to create the false impression that the Church is committing acts of retribution in pursuit of "Fair Game."

8. A central element of exploiting the "Fair Game" tactic

is to make certain that the allegations are crafted so they cannot be objectively disproved. In other words, the declarant makes an allegation of a bad or harmful or harassing act that cannot be documented in a tangible form and then alleges that it was done by the Church pursuant to the Fair Game "policy." By so doing, the declarant has put the Church in the impossible position of trying to prove a negative and trying to prove it without documentation. It becomes a matter of the declarant's word against that of the Church, and by making the act alleged sufficiently despicable, the result is prejudice against the Church.

9. The Fair Game policy was a policy to forward Scientology's belief that any attacks on Scientology by those seeking to destroy it were to be vigorously defended by legal means and never ignored. It was not a policy condoning or encouraging illegal or criminal activities. The policy was misinterpreted by others and was thus canceled. It has since been used by litigants over the years as a vehicle to give credibility to allegations to try to prejudice courts against Scientology. An event happens such as someone's wife dies in a car accident, and the allegation is made that this is a murder committed by the Church pursuant to "Fair Game" policy. This technique is known to those who attack the Church and so they continue to use this term to try to prejudice the courts. These people feel comfortable making scandalous allegations, knowing that the Church does not have such a policy. I am unaware of any allegations of "Fair Game" being made by persons who have simply left the Church. Rather, the charges of Fair Game are invariably

made by parties who have subsequently become involved in litigation with the Church and who have started working with other anti-Scientology litigants familiar with this tactic.

10. It has been my experience that these litigants and lawyers become emboldened because the history of Scientology litigation demonstrates that virtually any charge leveled against the Church in litigation by an avowed enemy, no matter how outrageous or unfounded, will be accepted and believed. Based on my experience it is a matter of common knowledge that efforts by the Church to refute such prejudicial allegations have commonly not been believed in the courts.

11. Thus, it has become a routine practice of litigants to make accusations against the Church, including even false allegations of threats of murder, which would be summarily thrown out of court as unsupported and scandalous in other litigation. They do it because it works, and they do it by deliberately mischaracterizing the term "Fair Game". They do it as an intentional means to destroy the reputation of the Church in the context of litigation so that they can win money or force the Church to settle.

12. While I was in the Church I witnessed the "Fair Game" allegations made by Gerry Armstrong and Larry Wollersheim in their litigation against the Church. My position in the Church at the time gave me broad access to what was occurring and I would have known were the allegations made by Armstrong and Wollersheim true. Wollersheim, for example, made the allegation that a pipe bomb was found on his parent's lawn and, without any corroboration, blamed the Church. I know from my own personal

knowledge that this outrageous allegation of Church involvement is absolutely false. During the Wollersheim trial, rumors began to spread throughout the trial courtroom that Judge Ronald Swearinger had been followed, his tires had been slashed, and his pet dog had drowned, and that the Church was responsible for that supposed activity. All of those allegations of Church complicity were false, as well, as I now personally attest. Armstrong alleged the Church was trying to kill him and this allegation also was just made up. I know of its falsity of my own personal knowledge. Both Armstrong and Wollersheim continue to make the same type of outrageous allegations of Fair Game to forward their litigation to this day, due in no small measure to the fact that they practiced Fair Game so effectively in their earlier, victorious litigation against the Church.

13. The term "fair game" has become a catch phrase for those who attack the Church. When I was in the Church I never heard it referred to as a policy to be used, the only time it was discussed was in reference to litigation in which it was being alleged by Church adversaries. When I was in the Church, I knew that litigants opposing the Church were constantly making fair game allegations against us and that those allegations were nonsense. I also know the frustration those allegations caused because of the willingness of courts and juries to embrace them. From my experience in litigating against the Church, I can see that nothing has changed in this regard. I also know from my experiences in suing the Church and from my association with other litigation adversaries of the Church that they know that "Fair Game" as they portray it is not Church policy. "Fair Game"

exists only as a litigation tactic employed against the Church.

I declare under the penalty of perjury under the laws of the United States of America, and under the laws of each individual state thereof, including the laws of the states of California and Texas, that the foregoing is true and correct.

Executed this 19th day of May, 1994 in Dallas, Texas.

Vicki J. Aznaran

VICKI J. AZNARAN

EXHIBIT K

DECLARATION OF MARK C. RATHBUN

I, Mark C. Rathbun, hereby declare:

1. I am the President of Religious Technology Center ("RTC"). RTC is a church of Scientology which owns the trade and service marks of Dianetics and Scientology. As such, RTC has the responsibility of ensuring that the nature and quality of the services and products associated with the religion of Scientology and with its technologies of spiritual counselling, ethics and administration are properly applied in accordance with the standards set forth by the Founder of the Religion, L. Ron Hubbard. I have personal knowledge of the facts set forth below, and if called upon to do so, I could and would competently testify thereto.

2. In addition to my corporate position as President of RTC, I also hold the ecclesiastical position of Inspector General for Ethics. This is a very senior position within the ecclesiastical hierarchy of Scientology. As Inspector General for Ethics, I am ultimately responsible for the standard application of ethics technology throughout the religion of Scientology. By "standard" is meant a definite level or degree of quality that is proper and adequate for a specific purpose. In order to fulfill this responsibility, I have studied virtually everything L. Ron Hubbard wrote or said on the subject of Scientology ethics and justice and have many years of practical experience in its application.

3. I am familiar with the above referenced litigation and with the motion and supporting declarations filed by the Aznarans in their attempt to persuade this court to toll the

statute of limitations because of the Aznaran's self serving statements that they lived in fear of being declared "suppressive persons and thus become fair game".

4. Vicki Aznaran is well aware that illegal acts of any kind are antithetical to Scientology policies and practices. In 1981 and 1982 she participated in an evolution to purge the Church of those few Guardian's Office personnel who had participated, during the mid 1970's, in illegal acts or who had knowledge of illegal acts and did nothing to report or correct them. She was directly involved in isolating these individuals and removing them from Church employment. She also participated in the dissolution of the Guardian's Office and the set up and management of what became the Office of Special Affairs, that unit within the Church which is charged with the responsibility of dealing with external attacks on the religion. From her position and experience she was well aware that the leadership of the Church, including Mr. David Miscavige, would not tolerate illegal acts being committed in the name of Scientology. She was well aware that Mr. Miscavige was the catalyst behind the purge of the Guardian's Office. In fact, Vicki Aznaran testified in deposition in the instant case that her attempt to later recruit former Guardian's Office staff landed her in trouble with Mr. Miscavige.

5. From late 1983 through March 1986 Vicki Aznaran occupied one of the highest ecclesiastical positions in Scientology as Deputry Inspector General and then Inspector General of Religious Technology Center. From this position she

participated in the defense of Scientology from a plethora of cookie cutter type "emotional distress" type damages suits that had been brought by apostate ex-Scientologists represented by Boston-based personal injury attorney Michael J. Flynn. I personally attended numerous attorney conferences and other high level meetings of Church executives along with Vicki Aznaran in which the topics of discussion were the defense of "fair game" allegations, which were designed to poison courts and juries; and the claimed ignorance of Scientology as a religion on the part of plaintiffs in order to overcome the Church's First Amendment defenses. She was well aware that it was extremely difficult to defend against such allegations when plaintiffs swore falsely in declarations; that judges and juries were prone to believe out-of-context quotes from Scientology scriptures and to accept "state of mind" testimony. Indeed she was intimately familiar with two heresy trials that resulted in multi-million dollar verdicts for the plaintiffs - engendered by such emotional and inflammatory tactics - but which were ultimately overturned because they had no basis in fact and no basis in law.

5. Vicki participated in numerous meetings in which Church staff and counsel grappled with responding to false allegations of "fair game", knowing that such a policy had not existed since the sixties and even then was intentionally misrepesented to poison courts against the Church. That Vicki would now make the same false claims is remarkable; that she acts as if she were not aware of such claims being made against

the Church ten years ago (to attempt to toll the statute of limitations) is incredible. Nonetheless, in view of Vicki Aznaran's knowledge of the effectiveness of such litigation tactics against the Church, it is not at all surprising that she is utilizing them on this court. I, who have dedicated my life to helping others through the standard application of Scientology ethics and technology, am personally offended by her perverse testimony. I therefore take this opportunity to inform this court of the truth about Scientology ethics and justice. My testimony is the same as could be given by any of the millions of satisfied Scientologists with respect to their religion in general and its ethics and justice codes in particular.

6. "Fair game" was a term used in the Church for a short while in the 1960's. By the time the Aznarans first entered the Church, the term was no longer used, and the policy referring to it had been expressly cancelled. It doesn't appear in currently published Church scriptures and hasn't for years. In fact, the only time I ever hear the term is in damages cases such as this one. As used for this brief time within the Church, "fair game" had not even the slightest semblance to the wild accusations made by the Aznarans. It meant simply that an individual so labelled was not entitled to the protection of the Scientology system of justice. In this regard it is similar to the Old English concept of "outlaw" which was "one who is put out of the protection or aid of the law." (Black's Law Dictionary, Rev. Fourth Edition, pg. 1255).

7. The Scientology ethics and justice system is a privilege and benefit for Scientologists. Scientologists can and do avail themselves of the Scientology ethics and justice system as it is free of charge, swift, sane, accurate and based solely on getting to the truth. One is judged by a committee of his peers whose only task is to get to the truth of disputes between Scientologists. Scientology justice committees do not punish, they only get to the truth and attempt to rectify injustices. The system is based on trust, and because Scientology is predicated on truth and honesty, no Scientologist in good standing would even think of lying in such a proceeding or attempt to derail and misdirect a proceeding through false and inflammatory testimony such as one sees in civil cases in every courthouse.

8. One of the fundamental discoveries of L. Ron Hubbard is that man is basically good. As an individual becomes more aware and able through the application of Scientology religious technology, he becomes more honest, ethical, and interested in helping others. This is why Scientologists become the most valued members of society as they advance in Scientology. L. Ron Hubbard developed a system of ethics and justice which is based on this bedrock principle. The Scientology ethics and justice system is built on the premise that honesty and integrity are essential to happiness and survival.

9. Scientologists consider this ethics and justice system a major benefit derived from membership in the Church. To expel a person from Church membership and thereby withdraw the protection and availability of the Church's ethics and justice

system is the harshest penalty in the Scientology religion. Even then, however, because Scientologists believe that man is basically good, the door is always left open for that person to return to Church membership.

10. The reference to a person being "fair game" was a direct reference to what individuals who could not have access to the Scientology justice system were likely to receive at the hands of the justice systems extant in society. Compared to Scientology ethics and justice procedures, lay justice proceedings are, in fact, barbaric.

11. Contrary to the allegations made by the Aznarans throughout their Opposition, the basic values of honesty and integrity are the bedrock upon which Scientologists build their lives and upon which any individual must so build if he is to live happily and in harmony with his fellows.

12. The scriptures of Scientology are replete with admonitions to its adherents to build their lives on the foundations of honesty and integrity. As Mr. Hubbard stated in a technical bulletin titled " Auditor's[1/] Rights Modified," written in 1972: "The road to truth is begun with honesty."[2/] This is a road that all Scientologists, by definition, consider that they are following.

13. Mr. Hubbard's injunction to be truthful covers all

1) An "auditor" is a Scientology minister who counsels parishioners. The term is derived from a Latin term meaning one who listens.

2) Due to space limitations, copies of the writings of L. Ron Hubbard referred to herein are not attached, but can be supplied to this Court upon request.

aspects of an individual's and organization's activities. For example, he laid down a firm rule for Church of Scientology staff in official dealings: "Never use lies." ("The Missing Ingredient", [August 13, 1970]). In a policy directive entitled, "Safe Ground" (October 27, 1974), Mr. Hubbard reiterated this point: "1. NEVER SAY OR PUBLISH ANYTHING YOU CANNOT PROVE OR DOCUMENT; 2. ALWAYS DOCUMENT THE TRUTH TO OPPOSE LIES."

14. The value of truth and honesty in one's dealing with others goes much deeper than mere pragmatism. Honest and ethical behavior enhance the well-being of an individual and a group; dishonesty and unethical acts degrade a person and an organization. In a book originally published in 1951, Mr. Hubbard explained why maintaining high ethical standards is so important, not just to Scientologists, but to everyone:

> Thus, dishonest conduct is nonsurvival. . . . The keeping of one's word, when it has been sacredly pledged, is an act of survival, since one is then trusted, but only so long as one keep's one's word. To the weak, to the cowardly, to the reprehensibly irrational, dishonesty and underhanded dealings, the harming of others and the blighting of their hopes seem to be the only way of conducting life. Unethical conduct is actually the conduct of destruction and fear; lies are told because one is afraid of the consequences should one tell the truth; thus, the liar is inevitably a coward, the coward is inevitably a liar.

L. Ron Hubbard, Science of Survival, at 142-143 (1989 Ed.).

15. The subject of honesty and ethical behavior permeated Mr. Hubbard's writings throughout the years. In a 1960 issue entitled "Honest People Have Rights, Too," Mr. Hubbard stated:

> Individual rights were not originated to protect criminals but to bring freedom to honest men. Into this area of protection then dived those who needed "freedom" and "individual liberty" to cover their own questionable activities. Freedom is for honest people. No man who is not himself honest can be free--he is his own trap. When his own deeds cannot be disclosed then he is a prisoner; he must withhold himself from his fellows and is a slave to his own conscience. Freedom must be deserved before any freedom is possible.
>
> * * *
>
> Freedom for Man does not mean freedom to injure Man. Freedom of speech does not mean freedom to harm by lies. To preserve that freedom one must not permit men to hide their evil intentions under the protection of that freedom. To be free a man must be honest with himself and with his fellows. If a man uses his own honesty to protest the unmasking of dishonesty, then that man is an enemy of his own freedom.

Mr. Hubbard ended this bulletin with the reminder that:

> "On the day when we can fully trust each other, there will be peace on Earth. Don't stand in the road of that freedom. Be free, yourself."

Id.

16. An entire book was compiled from Mr. Hubbard's

writings dedicated to the subject of ethics, entitled Introduction to Scientology Ethics. The book is replete with basic truths on this subject which cannot be fully discussed in this limited space. The following statements are representative of the concepts which it contains:

> The man who lies, the woman who cheats on her husband, the teenager who takes drugs, the politician who is involved in dishonest dealings, all are cutting their own throats.
>
> * * *
>
> It may come as a surprise to you, but a clean heart and clean hands are the only way to achieve happiness and survival. The criminal will never make it unless he reforms; the liar will never be happy or satisfied with himself until he begins dealing in truth.

L. Ron Hubbard, Introduction to Scientology Ethics, at 29 (1989 Ed.).

17. What Scientologists hope to achieve through living ethical, honest lives and showing respect for their fellow man is quite simple: happiness. Albeit simple and indeed a basic desire amongst all men, few know the requisites to true happiness as well as a Scientologist.

> As for ideals, as for honesty, as for one's love of one's fellow man, one cannot find good survival for one or for many where these things are absent.
>
> * * *
>
> A man who is known to be honest is awarded survival-- good jobs, good friends. And the man who has ideals-- no matter how thoroughly he may be persuaded to desert them,

survives well only so long as he is true to those ideals. (Introduction to Scientology Ethics, at 23)

18. In a bulletin from 1961 entitled, "Clean Hands Make a Happy Life", Mr. Hubbard underscored the basic problem behind the lack of human happiness:

> For the first time in the soggy stream that's history to the human race, its possible that happiness exists.... What has made all Man a pauper in his happiness? Transgressions against the mores of his race, his group, his family! ...
>
> And as we wander on, transgressing more, agreeing to new mores and then transgressing those, we come into that sunless place, the prison of our tears and sighs and might-have-beens, unhappiness.
>
> * * *
>
> All Mankind lives and each man strives by codes of conduct mutually agreed. ... But now against that codes there is transgression. And so because the code was held, whatever code it was, and Man sought comfort in Man's company, he held back his deed and so entered then the bourne in which no being laughs or has a freedom in his heart. So down the curtains come across the brightness of the day and dull-faced clouds enmist all pleasant circumstances. For one has evilly transgressed and may not speak of it for fear <u>all</u> happiness will die.

19. With direct regard to the subject of spiritual progress in the Scientology religion, also referred to as "case gain," Mr. Hubbard wrote a bulletin in 1985 called "Honesty

and Case Gain." In that Bulletin, he stated:

> Thus, one can bar his own way up the Bridge[3/] by dishonesty. I always feel a bit sad when I see somebody doing himself in this way. It is so pointless.

Another of his writings on this subject matter is a book entitled, The Way to Happiness. This book has been the source of a grass roots movement to improve life in the world by providing non-denominational, common sense, moral principles for this modern time. The book is divided into different precepts, with titles such as "Be Worthy of Trust," "Fulfill Your Obligations," "Do Not Steal," "Respect the Religious Beliefs of Others," "Don't Do Anything Illegal," and "Seek to Live With the Truth." A few brief excerpts will show its teachings:

> Be Worthy of Trust.
>
> Unless one can have confidence in the reliability of those about one, he, himself, is at risk. When those he counts upon let him down, his own life can become disordered and even his own survival can be put at risk. Mutual trust is the firmest building block in human relationships. Without it, the whole structure comes down.
>
> * * *
>
> When one gives an assurance or promise or makes a sworn intention, one must make it come true. If one says he is going to do something, he should do it. If he says he is not going to do something, he should not do it. ...

3) The Bridge is the term which is used to describe the series of gradient steps of spiritual awareness which one achieves in the Scientology religion.

People who keep their word are trusted and admired. People who do not are regarded like garbage. Those who break their word often never get another chance. A person who does not keep his word can soon find himself entangled and trapped in all manner of "guarantees" and "restrictions" and can even find himself shut off from normal relations with others. There is no more thorough self-exile from one's fellows than to fail to keep one's promises once made.

(The Way To Happiness, at 191-192; 198-200.)

The honesty of an individual is something that affects those with whom a person lives and works. As Mr. Hubbard said in a writing titled "Ethics and Executives," 3 May 1972R,

"Dishonesty, false reports, an out-ethics [i.e., unethical] personal life, should all be looked for and, by persuasion, should be corrected."

Again and again Mr. Hubbard has stressed that dishonesty in one's dealing with others is harmful not only to the other individual, but to one's self:

The ruin of another's life can wreck one's own. Society reacts -- the prisons and the insane asylums are stuffed with people who harmed their fellows. But there are other penalties: whether one is caught or not, committing harmful acts against others, particularly when hidden, can cause one to suffer severe changes in his attitudes toward others and himself, all of them unhappy ones. The happiness and joy of life depart.

(The Way To Happiness, at 322 - 324.)

20. This standard is not limited to simply those with whom a person works with directly but in fact all those with whom one may come in contact in the community and within society:

> A country has laws and regulations to coordinate its activities.
>
> One does NOT seek to get around these or avoid these or find loopholes in them. This is COMPLICATED AND DISHONEST.
>
> It is MUCH simpler just to know and obey them.

"Regulations and Laws, Obedience To," 27 October 1973.

21. In a writing issued in 1980 entitled, "Ethics, Justice, and the Dynamics,"[4] L. Ron Hubbard wrote:

> Years ago I discovered and proved that man is basically good. This means that the basic personality and the basic intentions of the individual, toward himself and others are good.
>
> When a person finds himself committing too

4) L. Ron Hubbard's most fundamental discovery was the discovery that whatever else they were doing, all life was seeking to survive. Survival is the common denominator of all life. The basic urge to survive manifests itself in different ways. These ways have been divided into eight parts, or "dynamics". Each of these dynamics is interdependent on the others. Each of us is striving to survive along or through these subdivisions of the basic urge to survive: 1) the urge to survive as an individual; 2) the urge to survive through sex and the rearing of children; 3) the urge to survive through groups; 4) the urge to survive as mankind, 5) the urge to survive through living things, i.e., animals or plants; 6) the urge to survive through the physical universe (matter, energy, space and time [mest -- the physical universe]); 7) the urge to survive through the spiritual universe; and 8) the urge to survive through God, or the infinite.

many harmful acts against the dynamics, he becomes his own executioner. This gives us the proof that man is basically good. When he finds himself committing too many evils, then, causatively, unconsciously or unwittingly, man puts ethics in on himself by destroying himself; and he does himself in without assistance from anybody else.

This is why the criminal leaves clues on the scene, why people develop strange incapacitating illnesses and why they cause themselves accidents and even decide to have an accident. When they violate their own ethics, they begin to decay. They do this all on their own, without anybody else doing anything.

22. The teachings of Mr. Hubbard are unequivocal on this point. The commission of dishonesties, of harmful acts against another is the road to personal destruction, to the loss of awareness, the loss of abilities, to personal unhappiness and the destruction of positive interpersonal relationships. Only the litigants who, due to their own harmful acts, have already travelled down this route or those who, through misinformation or ignorance know no better, would advance or believe that the scriptures of the Church could support the commission of harmful acts against one's fellow man.

23. In fact, the precise opposite is true. Scientology scriptures detail how it is that harmful acts against one's fellows bring about the loss of integrity and decrease one's ability to handle life successfully. The mechanism at work here was presented by Mr. Hubbard in 1968:

There was an important discovery made in 1952

. . . which did not get included in "Book One," Dianetics: The Modern Science of Mental Health.

This was the "overt-motivator sequence. . ."

AN OVERT, in Dianetics and Scientology, is an aggressive or destructive ACT by the individual against one or another of the eight dynamics (self, family, group, mankind, animals or plants, mest, life or the infinite).

A MOTIVATOR is an aggressive or destructive act received by the person or one of the dynamics.

The viewpoint from which the act is viewed resolves whether the act is an overt or a motivator.

The reason it is called a "motivator" is because it tends to prompt that one pays it back -- it "motivates" a new overt.

When one has done something bad to someone or something, one tends to believe it must have been "motivated."

Bulletin of 20 May 1968, "Overt-Motivator Sequence."

Thus, an individual who commits harmful acts against himself, another, the social order and so forth, grows invariably at odds with the person or institution whom he has attacked.

24. Mr. Hubbard explained this phenomena further in a lecture given to Scientology ministerial students:

[M]an is basically good, despite his reactive bank.[5/] The reactive bank is only composed to

5) The "bank" is a slang term referring to a person's (footnote continued)

make a man commit overts, which is against his better nature. If he commits these overts, therefore, he'll trap himself because he won't go on communicating, having committed them. So it's the perfect trap. You do not want to talk to people you have wronged. ... They commit an overt act, don't you see, and then they will try to withhold and sever the communication line for fear that they will commit another overt act. That actually is the fundamental think of man.

Tape Lecture of July 2, 1964, "O/W Modernized and Reviewed."

25. The path one trods when he commits harmful acts is the road to oblivion. It is the descent not only into despair and destroyed relationships; it is also the way to personal degradation and criminality. "A criminal is one who is motivated by evil intentions and who has committed so many harmful overt acts that he considers such activities ordinary." (Bulletin of 15 September 1981, "The Criminal Mind,") The desperate straits to which the criminal has descended have been clearly described by Mr. Hubbard:

> It is a mind like any other mind but it has gone wrong. It is motivated by evil intentions which, even if idiotic, are greater than the possessor's ability to reason. The criminal, even

(footnote continued)
"reactive bank", that portion of a person's mind wherein all painful experience is stored below a person's awareness. The reactive mind is a stimulus-response unconscious mind which can exercise control over the individual without that person's awareness.

when he seems most clever, is really very, very stupid. The evil intentions get dramatized by senseless overt acts which are then withheld, and the final result is a person who is more dead than alive and who faces a future so agonizing that any person would shudder at it. The criminal, in fact, has forfeited his life and any meaning to it even when he remains "uncaught" and "unpunished," for in the long run, he has caught himself and punishes himself for all eternity. No common judge can give a sentence as stiff as that. They know down deep that this is true and that is why they scream with such ferocity that men have no souls. They can't confront the smallest part of what awaits them. consists of, you can also understand how ghastly must be the feelings or lack of them with which the criminal has to live within himself and for all his days forever. He is more to be pitied than punished....

THE CRIMINAL, NO MATTER WHAT HARM HE IS DOING TO OTHERS, IS ALSO SEEKING TO DESTROY HIMSELF. HE IS IN PROTEST AGAINST HIS OWN SURVIVAL.

Id.

26. The individual, having descended away from personal honesty and integrity, down the dwindling spiral of the overt-motivator sequence, to the depths of criminality described by Mr. Hubbard in the attached bulletin arrives at a point, where they are totally consumed by their criminality. A

person at this point sees all life as having the same sordid motives he does. Of such an individual, Mr. Hubbard wrote:

> THE CRIMINAL ACCUSES OTHERS OF THINGS WHICH HE HIMSELF IS DOING.
>
> * * *
>
> THE CRIMINAL MIND RELENTLESSLY SEEKS TO DESTROY ANYONE IT IMAGINES MIGHT EXPOSE IT.
>
> * * *
>
> THE CRIMINAL ONLY SEES OTHERS AS HE HIMSELF IS.

Id.

27. The entire thrust of the training, auditing, ethics and justice technologies of the Scientology religion is to improve the spiritual well-being of the individual and to make him more able so that he is able to assist others to attain greater spiritual awareness. Of all of the religions in the world, Scientology is unique in the degree it places emphasis upon the value of self-determined right conduct, honesty and personal integrity. The scriptures, however, do far more than simply warn of the consequences of evil ways. They also set forth techniques for the eradication of the harmful effects of past transgressions and the rehabilitation of an individual's personal integrity and abilities. Confessional counselling sessions are standardly provided to Scientologists in order to help them unburden themselves of past transgressions. Through such counselling the individual Scientologist is made more able and is brought to levels of increased affinity and responsibility.

28. The ethics and justice system of Scientology, then,

has honesty and integrity as its underpinnings. As a subject, ethics consists simply of the actions taken by an individual on himself to improve his survival. Through Scientology ethics a person is taught not a rote series of do's and don't's, but tools which he can use to make ethical and moral choices and decisions.

29. In a policy letter of 12 July 1980 later revised on 5 November 1982, entitled "The Basics of Ethics," Mr. Hubbard wrote of the unfortunate state a person finds himself in when he is unable to ethically deal with his daily life:

> The individual who lacks any ethics technology is unable to put in ethics on himself and restrains himself from contrasurvival actions, so he caves himself in. And the individual is not going to come alive unless he gets hold of the basic tech of ethics and applies it to himself and others.

30. The basic ethics technology discovered by L. Ron Hubbard is found in the ethics conditions and their formulas. These are described in the book, Introduction to Scientology Ethics.

> The basic tools used to get and keep ethics in are the ethics conditions and their formulas.
> An organization or its parts or an individual passes through various states of existence. These, if not handled properly, bring about shrinkage and misery and worry and death. If handled properly they bring about stability, expansion, influence and well-being.

* * *

> The different conditions formulas make up a SCALE which shows the condition or state, which is to say the degree of success or survival of an individual ...

(Introduction to Scientology Ethics, at 37-38.)

31. The ethics conditions are: Confusion, Treason, Enemy, Doubt, Liability, Non-Existence, Danger, Emergency, Normal Operation, Affluence, Power, Power Change. Each condition carries with it a series of steps to follow, called formulas, which result in improvement up the rising scale of conditions. The application of the specific formulas for each condition are a basic tool which Scientologists use to live happier, more successful lives. Each condition describes a level of survival in which an individual, business or other activity can be located at any given moment. Mr. Hubbard has laid out an exact formula, or set of steps, for each condition, which, if correctly followed, will result in the attainment of a higher condition. For example, both a new marriage and a new business start out in a condition of "non-existence" and to succeed, must follow the formula steps of getting in communication with one's partner or potential customers, finding out what is needed from that person, and providing that. Whether one is doing well, poorly, or just getting by, there is a condition formula which applies. (For a full description of the various ethics conditions and their individual formulas, see Introduction to Scientology Ethics, pp. 56-104.) Through the use of the correct formula, one is able to improve how he or

she is doing.

32. Condition formulas are used to handle all types of situations, favorable and unfavorable, alike. For example, if one made a bad error on one's job, he could use an ethics condition, such as the Liability formula, as a guide to getting back on top of the situation -- perhaps saving his job in the process. And if one were doing very well in some area in life, the Affluence formula would provide steps to help isolate the important points of one's success and reinforce those.

33. Scientology also has an ecclesiastical justice system. Justice is applied in Scientology when an individual fails to apply the tools of ethics to correct his own unethical activities, and is causing problems for others.

34. The Scientology justice system has as its basic premise that justice is to be used only so long as it is necessary to restore the individual to self-determined ethical conduct. It does not have punishment as a goal; rather, the purpose is to rehabilitate the individual's ability to use and apply the ethics technology. For this reason, the justice system is a gradient one, consisting of a whole series of actions which might be taken in an appropriate case to ensure that ethical conduct is restored.

35. These gradient steps are specified in a writing of Mr. Hubbard dated 29 April 1965, entitled "Ethics Review." The various tools are laid out in a progression of lightest to most severe, ranging from actions such as "noticing something non-optimum and commenting on it to the person," to the severest discipline in the Scientology religion: "expulsion

from Scientology." None of the gradients carries with it physical punishment of any kind.

36. L. Ron Hubbard has stressed that the lightest forms of these levels are to be used first, and only increased as necessary to help the person:

> Scientology Ethics are so powerful in effect ... that a little goes a very long ways. Try to use the lightest form first.

Id.

37. The Scientology justice system also provides ecclesiastical fact-finding bodies and formal justice actions which help determine the appropriate way to deal with a Scientologist who has been causing difficulty for other Scientologists. The first of these is an "ethics hearing." Such a hearing consists of a meeting of the accused with a "hearing officer." This is a fact-finding body; the accused is presented with the written accusations, is given the opportunity to question the people who have made the accusations, if necessary, and is given the opportunity to explain fully his own side of the story. The hearing officer then makes a recommendation as to how the situation should be handled.

38. If it is established by verified evidence in an ethics hearing that the person has been involved in some violations of Scientology codes or procedures, a "Court of Ethics" may be convened. The purpose of the Court is to determine what discipline should be imposed for the wrong-doing. For example, if a staff member is continually

late for or absent from his assigned duties, he might be called before such a court and might be assigned a short, special project to clean the slate for the problems he has caused. Such an action would bring home to him that he is expected to appear for work on time and should regulate his actions accordingly. (See, policy letter of 26 May 65, Issue III, "Courts of Ethics,").

39. The most serious type of justice action is a Committee of Evidence. This is "a fact-finding body composed of impartial persons properly convened by a convening authority which hears evidence from persons it calls before it, arrives at a finding and makes a full report and recommendation to its convening authority for his or her action." (Policy letter of 27 March 1965, "The Justice of Scientology -- its Use and Purpose.) The individual or individuals who are the subject of the Committee of Evidence are present at all times when evidence is presented and are given the opportunity to examine all witnesses. Once the Committee has determined the facts of the matter, it makes its recommendation to the "convening authority" who then reviews all the evidence and recommendations and accepts, or modifies the Committee's findings and recommendations. The protection which committees of evidence provide for Scientologists from possible arbitrary sanctions or sanctions arising out of momentary upset is substantial. Thus, for example, staff members may not be suspended, demoted, or improperly transferred to another job without a committee of evidence. (Id.)

40. Scientologists can and frequently do avail themselves

of the Scientology justice system as it is free, swift, sane, accurate and based solely on getting to the truth.

41. The value of a committee of evidence was described by Mr. Hubbard in 1965 in a policy letter entitled "The Justice of Scientology -- Its Use and Purpose; Being a Scientologist":

> Committees of Evidence work. I recall one Tech[nical] Director [Church executive in charge of administering the delivery of Church services according to the scriptures or "Tech"] accused of tampering with a student. I was told he was about to be disciplined and sacked. I stopped that action and had a Committee of Evidence convened. Accurate testimony revealed the story false and the Tech Director innocent. Without that committee he would have been ruined. I know of other instances where a committee found the facts completely contrary to rumor. Some are guilty, most are innocent. But thereby we have justice and our necks aren't out. If a person is to keep the law, he or she must know what the law is. And must be protected from viciousness and caprice in the <u>name</u> of law. If a person doesn't keep the law, knowing well what it is, he or she hurts all of us and should be handled. Our justice really rehabilitates in the long run. It only disciplines those who are hurting others and gives them a way to change so they can eventually win too -- but not by hurting us.

42. As set forth above, the ultimate penalty under the

justice codes of the Church of Scientology is expulsion from the Church. Mr. Hubbard wrote in a 1965 policy letter that to withdraw the protection and availability of the Scientology justice system is the harshest penalty in that system; and that is the effect of expulsion. Yet, even a person who has been declared to be a suppressive and has been expelled from the Church, however, is still afforded an opportunity to redeem himself and to return to good standing. To do so, the person must follow a simple, five step, procedure: (A) "cease all attacks and suppressions so he, she or they can get a case gain"; (B) make "a public announcement to the effect that they realize their actions were ignorant and unfounded"; (B-1) paying off all debts owed to any Scientology organizations; (B-2) complete an approved amends project; (C) training from the lowest level; (D) providing copies of the above steps to the ethics officer who is dealing with him; and (E) providing a similar copy to the International Justice Chief of the Church. "Suppressive Acts, Suppression of Scientology and Scientologists", 8 January 1981.

43. The writings of L. Ron Hubbard are very clear on the point that even an expelled person may turn around and re-enter the Church. In "Expansion Theory of Policy", 4 December 1966 regarding expulsion from the Church, he wrote:

> Further, one must leave at least a crack in the door and never close it with a crash on anyone because a demand factor may still develop there. ... One must always leave a crack open. The suppressive can recant and apologize.

44. Finally, because of their adherence to a strict standard of ethics, Scientologists have a great respect for the law. As Mr. Hubbard wrote in The Way To Happiness:

"Adhere to the principal that all men are equal under law: a principal which, in its own time and place -- the tyrannical days of aristocracy -- was one of the greatest social advances in human history and should not be lost sight of.

"See the children and people become informed of what is 'legal and 'illegal' and make it known, if by as little as a frown, that you do not approve of 'illegal acts.'

"Those who commit them, even when they 'get away with them,' are yet weakened before the might of the state." (Id., pp. 100 - 101)

45. The selections presented above are but a small portion of the hundreds of pages which Mr. Hubbard has written on the subject of Ethics and Justice, all of which is in full use and application in Churches of Scientology around the globe. As the cited materials make clear, the undeviating emphasis throughout this vast literature is that one must maintain a very high standard of ethics, that one must treat one's fellow man with dignity and respect and that one must obey the laws and act in harmony with the codes of the society. Moreover, the Scientology scriptures themselves are comprised of over 50 million words which L. Ron Hubbard wrote on the subject of the religion of Scientology. And throughout all of this material, whether dealing with techniques of counselling or with the ultimate abilities and nature of the

spiritual being that is the individual, Mr. Hubbard has written from the premise that truth, integrity, honesty and fair dealing with one's fellows, with groups and races and with each of the dynamics, is the road to survival. This is a standard which never waivers in the Church of Scientology. And this is the reason that Scientologists are the most ethical people you are likely to ever meet.

46. Seen in this context the Aznarans' assertions are patently absurd and unbelievable. The Aznarans attempted to take one line from a 1965 issue and to assert that this cancelled issue, which they deliberately misinterpreted to suit their own purposes, carries more weight than the thousands upon thousands of pages by Mr. Hubbard which directly and unequivocably state the exact opposite of the Aznarans' interpretation. The Anzarans knew that the "fair game" issue was cancelled by Mr. Hubbard in 1968, before they were first exposed to the religion of Scientology. When Mr. Hubbard learned that the line was open to misinterpretation by those not versed in Church scripture, he immediately cancelled it for that reason. The Church has always been ready to accept a reformed suppressive person back into the Church. Mr. Hubbard's writings are clear on this. The expelled individual is simply denied recourse to the Church's internal justice procedures for the resolution of his disputes with Scientologists in good standing. The door is always "left open a crack", as anyone is capable of reform. It has always been and will remain the intention of the Church staff to bring increased well-being and spiritual awareness to <u>all</u>

individuals on this planet. That is what the religion and the Church of Scientology are about.

47. The Aznarans stand as apostates who have found a single mistranslated line that never made it into an edition of the Bible. Apostates who, on the basis of this non-existent piece of scripture, are attempting to allege that all of Christianity is built upon a false premise and that all the teachings of Jesus and his disciples are mere coverings for the one line of alleged "scripture" which they feel "tells it all". The Court would surely recognize the absurdity of this position and would never permit the apostates to claim that their refusal to abide by a written agreement was warranted by their "state of mind". Yet this is an exact parallel to the situation which has occurred so far in this case. Moreover, the Aznarans well know that it is a fundamental tenet of the Church that Church policy must be in writing to be valid ("in Scientology we say, 'if it isn't written, it isn't true.'"["The Hidden Data Line, 16 April 1965] The term "fair game" is not in the writings of the Church and is not Church policy. All valid and enforceable Church policy is published and available to parishioners. The "fair game" policy has not been published since its cancellation prior to the Aznarans joining the Church and is not published in any current volumes of Scientology writings, and indeed was never published in any edition of any of the Scientology policy volumes. It is not something that is open to interpretation by the Aznarans or anyone else. It does not exist.

48. Now the Court has the heretofore missing data about

the nature and weight of Scientology scriptures. Now the shallow, self-motivated nature of the Aznarans' allegations regarding coercion are clear. And further, now it is clear that the Aznarans have forced the Court into the role of interpreter of the true meaning of Scientology scriptures, a role which is anathema to the First Amendment. Church scriptures are straightforward on this matter: Church members and Church organizations are expected to (and do) maintain the highest standards of ethical behavior in their dealings with their fellow men and with the institutions of our society.

49. Mr. Hubbard cared deeply for mankind and dedicated his life and his work to doing what he could to make life better -- and happier -- for all mankind. It is this care and dedication which is carried on by Scientologists the world over, and their own happiness and that of those around them reflect just that. Mr. Hubbard expressed the purpose underlying his work in an article entitled, The Aims of Scientology:

> A civilization without insanity, without criminals and without war, where the able can prosper and honest beings can have rights, and where man is free to rise to greater heights, are the aims of Scientology.

50. The truth regarding the Church of Scientology is clear. These are the true facts about the ethics and justice systems of the Church and the values which the writings of L. Ron Hubbard advance. These are tools of personal salvation which litigants against the Church violently malign and impugn.

From the blackened depths of their criminal minds, they seek to destroy this hope for mankind through false pictures and wild allegations which merely reflect their own sordid intentions and actions. Yet, as this small sampling of the scriptures show, the truth is very different. The religion of Scientology places a premium upon ethical behavior; and Scientologists, as a group, are the most ethical people in the world today. In fact, the ethical standards which they maintain are far and above those of any other group.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed in the State of California, the 26th day of August 1991.

Mark C. Rathbun

EXHIBIT 1

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

--oOo--

CERTIFIED COPY

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation, Plaintiff, vs. GERALD ARMSTRONG; and DOES 1 through 25, inclusive, Defendants.	Case No. BC 052395

DEPOSITION OF MICHAEL WALTON

Pages 1 - 61

Taken before CHRIS DE GEORGE

California CSR License No. 7069

February 24, 1993

--oOo--

my lawyer files and I don't know if they belong -- some of them, I'm sure, belong to Gerald Armstrong.

Q. Let's exclude those.

A. No.

Q. So excluding attorney-client files, you hold no property for or on behalf of Gerald Armstrong.

A. No.

Q. And he's never transferred any property to you.

A. Yes, he has.

Q. What has he transferred to you?

A. He transferred his interest in Fawn Drive to me.

Q. And what consideration did you pay him for that?

A. None.

Q. It was a gift?

A. Yes.

Q. And when did that occur?

A. I think it was around the time of the Desert Storm. I don't -- I really don't -- I'm not quite sure. I can tell you it was -- it was approximately a year before the -- No, I can't tell you that either. I'm not really sure.

Q. Do you know why he transferred it to you?

A. I know what he told me.

Q. What did he tell you?

A. I'm trying to remember it. Let me think about it and see if I can remember under what circumstances.

I don't believe this has any relation to any representation. Jerry told me that he'd had a vision from God.

Q. That's it?

A. That's the reason. That's when he divested of all property that I know of.

Q. Where is Jerry living now, do you know?

A. No, I don't. I think he's living on Sir Francis Drake. 711, I think.

Q. That's one of the -- that's either adjacent to or the office where Ford Greene has his practice?

A. That's my understanding although I've never been there.

Q. Other than Fawn Drive, did Mr. Armstrong give you any other property at that time?

A. Yes.

Q. What else?

STATE OF CALIFORNIA)
)

I, the undersigned, a Certified Shorthand Reporter of the State of California, hereby certify that the witness in the foregoing deposition was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me, a Certified Shorthand Reporter and a disinterested person, and was thereafter transcribed under my direction into typewriting; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and, if necessary, correct said deposition and to subscribe the same.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the case names in said action.

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my signature this 1st day of March, 1993.

CHRIS DEGEORGE, CSR #7069

EXHIBIT 2

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Cross-Defendant CHURCH OF SCIENTOLOGY
INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, a California not-for-profit religious corporation; Plaintiff, vs. GERALD ARMSTRONG; MICHAEL WALTON; THE GERALD ARMSTRONG CORPORATION, a California for-profit corporation; Does 1 through 100, inclusive, Defendants.	CASE NO. 157 680 DECLARATION OF LYNN R. FARNY IN SUPPORT OF CHURCH OF SCIENTOLOGY INTERNATIONAL'S MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO GERALD ARMSTRONG'S MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR SUMMARY ADJUDICATION OF ISSUES
GERALD ARMSTRONG, Cross-Complainant, vs. CHURCH OF SCIENTOLOGY INTERNATIONAL, a California Corporation; DAVID MISCAVIGE; DOES 1 to 100; Cross-Defendant.	DATE: September 9, 1994 TIME: 9:00 a.m. DEPT: 1 TRIAL DATE: September 29, 1994

LYNN R. FARNY deposes and says:

1. My name is Lynn R. Farny, and I am the corporate secretary of the plaintiff and cross-defendant in this action, Church of Scientology International. I have personal knowledge of the facts set forth in this Declaration and could competently testify thereto if called as a witness.

2. Attached hereto and incorporated herein are true and correct copies of documents published by Church of Scientology International and submitted as exhibits in support of the Church of Scientology International's memorandum of points and authorities in opposition to Gerald Armstrong's motion for summary judgment:

Exhibit A: HCO Policy Letter of 14 February 1965 SAFEGUARDING TECHNOLOGY;

Exhibit B: HCO Policy Letter of 4 June 1971 STANDARD ADMIN.

Exhibit C: "THE SCIENTOLOGIST A MANUAL ON THE DISSEMINATION OF MATERIAL" in the Organization Executive Course Public Division ("OEC" Vol. 6), pp. 25-51.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 26th day of August, 1994, at Los Angeles, California.

/s/

Lynn R. Farny

EXHIBIT A

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 14 FEBRUARY 1965

Remimeo
All Hats
BPI

Keeping Scientology Working Series 4

SAFEGUARDING TECHNOLOGY

For some years we have had a word "squirreling." It means altering Scientology, offbeat practices. It is a bad thing. I have found a way to explain why.

Scientology is a *workable system*. This does not mean it is the best possible system or a perfect system. Remember and use that definition. Scientology is a *workable system*.

In fifty thousand years of history on this planet alone, man never evolved a workable system. It is doubtful if, in foreseeable history, he will ever evolve another.

Man is caught in a huge and complex labyrinth. To get out of it requires that he follow the closely-taped path of Scientology.

Scientology will take him out of the labyrinth. But only if he follows the exact markings in the tunnels.

It has taken me a third of a century in this lifetime to tape this route out.

It has been proven that efforts by man to find different routes came to nothing. It is also a clear fact that the route called Scientology *does* lead out of the labyrinth. Therefore it is a workable system, a route that can be traveled.

What would you think of a guide who, because his party said it was dark and the road rough and who said another tunnel looked better, abandoned the route he knew would lead out and led his party to a lost nowhere in the dark. You'd think he was a pretty wishy-washy guide.

What would you think of a Supervisor who let a student depart from procedure the Supervisor knew worked? You'd think he was a pretty wishy-washy Supervisor.

What would happen in a labyrinth if the guide let some girl stop in a pretty canyon and left her there forever to contemplate the rocks? You'd think he was a pretty heartless guide. You'd expect him to say at least, "Miss, those rocks may be pretty, but the road out doesn't go that way."

All right, how about an auditor who abandons the procedure which will make his preclear eventually Clear just because the preclear had a cognition?

People have following the route mixed up with "the right to have their own ideas." Anyone is certainly entitled to have opinions and ideas and cognitions—so long as these do not bar the route out for self and others.

Scientology is a workable system. It white-tapes the road out of the labyrinth. If there were no white tapes marking the right tunnels, man would just go on wandering around and around the way he has for eons, darting off on wrong roads, going in circles, ending up in the sticky dark, alone.

Scientology, exactly and correctly followed, takes the person up and out of the mess.

So when you see somebody having a ball getting everyone to take peyote because it restimulates prenatals, know he is pulling people off the route. Realize he is squirreling. He isn't following the route.

Scientology is a new thing—it *is* a road out. There has not been one. Not all the salesmanship in the world can make a bad route a proper route. And an awful lot of bad routes are being sold. Their end product is further slavery, more darkness, more misery.

Scientology is the only workable system man has. It has already taken people toward higher IQ, better lives and all that. No other system has. So realize that it has no competitor.

Scientology is a workable system. It has the route taped. The search is done. Now the route only needs to be walked.

So put the feet of students and preclears on that route. Don't let them off of it no matter how fascinating the side roads seem to them. And move them on up and out.

Squirreling is today destructive of a workable system.

Don't let your party down. By whatever means, keep them on the route. And they'll be free. If you don't, they won't.

L. RON HUBBARD
Founder

EXHIBIT B

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 4 JUNE 1971

Remimeo

STANDARD ADMIN

To approach the subject of STANDARD ADMINISTRATION realistically, one first must recognize that a right way to do things can exist.

Let us take an example like starting a car. There *is* a right way to do this. You see if it has gasoline, you see that it's out of gear and that the brake is on. You turn on the ignition key and make the starter make contact. You feed it some gas and it starts. Now if one varied the sequence or did something else, the car wouldn't start. Then one pushes it or finds a hill. It still doesn't start so a mechanic is sent for. The bulk of the time, the mechanic finds no gas or failure to turn on the ignition.

There are an infinity of ways *not* to start a car.

There is only one way to start a car.

So it is with any standard procedure.

There *is* a way to do something right. The right ways to do things are called TECHNICAL PROCEDURES or TECH when it comes to auditing or scientific or mechanical processes.

There is a TECH of ADMIN. This would be the right ways to do administrative actions or organize something.

Administration is the subject of how to organize or establish or correct the spaces, terminals, flows, line duties, equipment, materiel, and so forth of a production group so as to establish optimum volume, quality and viability.

Activities, organizations, companies, governments and even man's civilization depend upon having the TECH of ADMIN and the knowledge and APPLICATION of it.

This general subject is known as ADMINISTRATION or ADMIN for short.

There *are* correct ways to do things in ADMIN. For each correct procedure there can be an infinity of incorrect actions.

To be a good executive or staff member, one has to know the right way something is done and to be able to apply and get done what he knows and be able to correct outnesses so they go back to the correct procedures.

Because of the great number of separate actions that go to make up a large activity, the subject looks complex unless one learns to look at one procedure at a time and fit it into other procedures.

The subject of admin only appears difficult because those involved in it SELDOM LEARN THE CORRECT PROCEDURES. Instead they do other odd things that, taken as a whole, give a thoroughly confused scene.

The test of any body of procedures is whether or not they will, when done, result in a smooth-running organization which produces final valuable products in volume that have acceptable quality and maintain the organization's survival.

Our admin passes this test. When used exactly by the book and applied and corrected back to the book, they will produce high volume, quality and viability.

This has been tested over and over. By the book = prosperity. Offbeat use or ignorance or nonapplication = collapse.

By just getting "on-policy" (knowing and using the procedures with no departures) an org has leaped from long-enduring poverty to high success. Then run by those ignorant of policy, it has in turn collapsed to the degree it went "off-policy."

A continent has boomed when "on-policy," has decayed when it went "off-policy."

This fact has been seen over and over and over again. "On-policy" (knowing and applying our procedures) has been the common denominator of each boom. "Off-policy" (not knowing, not applying our procedures) has been the common denominator of every org or continental area collapse.

There are enormous numbers of witnesses to this and it is backed up by mountains of statistics.

STANDARD ADMIN means the usual "on-policy" procedure applied.

"Squirrel admin" means the departure or alteration of standard admin. The use of the word "squirrel" is long-standing because squirrels in their little cages go 'round and 'round and get nowhere and they are also, a bad pun, "nutty," meaning a bit crazy.

The source of STANDARD ADMIN is an HCO Policy Letter.

The main source of "squirrel admin" is simply ignorance of PL procedure or the neglect of reading and applying it—as simple as that.

So if an org's staff, ignorant or neglectful of policy and failing to apply it, is creating a mad scene daily, just realize they are trying to start a car by welding the trunk shut or polishing the tires!

The answer is invariably and always, find the policy, apply it and force out the "off-policy" actions, and coolness and prosperity will reign.

So this is a simple subject. Complicated only by the inability of people to confront and do the actions called for by policy.

Following policy is better all around as it is an area of agreement.

New procedures can be developed, tested, piloted, used. BUT until they become policy they can drive an area mad.

So there is a right way to do it. And that is the way it should be done. And so doing it "on-policy" will result in prosperity.

If one is not able to accept this fact, then one will not be able to run an activity prosperously.

So STANDARD ADMIN is rather simple after all.

L. RON HUBBARD
Founder

EXHIBIT C

Major 1 **Ability** [ca mid-March 1955]

The Magazine of
DIANETICS and SCIENTOLOGY
from
Phoenix, Arizona

THE SCIENTOLOGIST
A MANUAL ON
THE DISSEMINATION OF MATERIAL

L. Ron Hubbard

INTRODUCTION

The basic purpose of this book is to inform members and auditors of the Hubbard Association of Scientologists, International about the fundamentals of Scientology and its organization.

It is expected that a member of the HASI will know the contents of this book, and the substance of this book should become the source material of a basic course in Scientology.

The hope of this book is to bring order into any confusion concerning Scientology, its purposes, its organizations, and the various grades of auditors. The emphasis of this book is upon purposes of organization. It is quite one thing to have an orderly science of life, and quite another thing to have an orderly organization to keep that science of life in such a form as to be utilized by life.

Whereas it is all very well to envision the ideal—that everyone in possession of the materials of Scientology would utilize them with good heart and in an orderly manner to the improvement and betterment of mankind, it is quite another to have had years of experience with this science in action. It has been discovered that unless an auditor or a person interested in Scientology is part of a group which expresses this ideal, that the individual will be lost in the turbulent mass of the society and will thus become ineffective.

Scientologists everywhere, when an organization of force and purpose was, to a large extent, lacking, were victimized and brought into disrepute by persons who could express vast opinions about Scientology, yet who knew nothing about Scientology; by vested interests in the society which were bent upon the suppression of anything which might be seen to have the potential of supplanting their peculiarity. And, in particular, the auditor was victimized in his practice by the existence of persons who, untrained in Scientology and uninformed, yet practiced upon others with it, producing few, poor, or harmful effects.

[*Editor's Note:* Since 1984 the Churches of Scientology have adopted membership in the International Association of Scientologists (IAS) as their official membership system.]

However, once this organization existed and began to function, another thing came into view: the failure of the auditor and member to understand the purposes and actual operation of the organization of the Hubbard Association of Scientologists, International, and a failure to understand how Scientology should be communicated. The fact that one was an auditor of the HASI or a member of that organization did not immediately presuppose an understanding of the formation of the organization, its purposes or activities.

This publication, *The Scientologist: A Manual,* is designed for use by members and auditors to inform them of the formation and function of the HASI, and the dissemination of Scientology itself—these two subjects being more or less synonymous.

This book is the product of experience and agreement. The HASI is organized as it is because those auditors working with it have agreed that it should work this way, and the various provisions and divisions of the HASI exist by reason of the first years of experience of the HASI or other disrelated organizations which existed before it.

We know that Scientology cannot progress in the society unless it is done by a group effort. We know that it can best progress as individuals banded into groups, and these groups banded together into a larger group. In other words, the HASI is built like a life organism is built. If everyone knows his subject and does his job we will have here a smoothly running and progressive organization which can by its existence and activities bring a better civilization to man.

Although this is the avowed purpose of many organizations, those in Scientology have come to discover over and over that Scientology contains answers which man has lacked in his progress until now. Parts of these answers have been represented in many places under many names, but the organized whole has not been in his possession. As this is, at this time, in his possession, an organization to carry it forward is vitally necessary, and the subject itself and its gains would perish or be altered to such a degree as to be unrecognizable in the absence of a strong, firm organization.

When a member or auditor supports the HASI, he is supporting himself. If the HASI fails, he will fail. There are two things which could occur in the life of any individual. By Scientology he could be processed into the state of a complete static, and in that state he might find life, as represented by that state, pleasant. The other existence would be that of a well-balanced individual operating with the forms and spaces of life itself, still in communication with existence, still carrying forward to make that existence better. As, so far, those who have attained the state of complete static have again returned by their own choice to the business of life itself, we can assume that even the processes of Scientology in making a totally cleared individual are not enough. Life, its spaces and forms, must be added to existence in order to make it interesting. Thus, Scientology and life itself as represented by the forms and spaces make a workable combination. The forms and spaces by themselves are too complex and confused at this stage and in this civilization to make a usable panorama with the absence of Scientology. Scientology AND life, which is to say life broadly understood and changeable at will, can create an existence close to an ideal. Scientology and its organization, the HASI and its affiliated organizations, represent a living of life with an understanding of its goals and purposes and the ability to change it.

A DESCRIPTION OF SCIENTOLOGY

Scientology is the science of knowing how to know answers. It is an organized system of Axioms and processes which resolve the problems of existence.

A Scientologist is a specialist in spiritual and human affairs.

Scientology is organized from the viewpoint of the spirit and contains a precise and usable definition of the spirit, and charts and studies and is capable of changing the behavior of the spirit.

This science is formed in the tradition of ten thousand years of religious philosophy and considers itself a culmination of the searches which began with the Veda, the Tao, Buddhism, Christianity, and other religions. Scientology is a gnostic faith in that it knows it knows. This is its distinguishing characteristic from most of its predecessors. Scientology can demonstrate that it can attain the goals set for man by Christ, which are: wisdom, good health and immortality.

By spiritual means, but means which are as precise as mathematics, a host of bad conditions of life may be remedied in Scientology. Illness and malfunction can be divided into two general classes. First, those resulting from the operation of the spirit directly upon the communication networks of life or the body, and those occasioned by the disruption of structure through purely physical causes. Unhappiness, inability to heal, and psychosomatic illness (which include some seventy percent of the illnesses of man), are best healed by immediate address of the human spirit. Illness caused by recognizable bacteria and injury in accident are best treated by physical means, and these fall distinctly into the field of medicine, and are not the province of Scientology, except that accidents and illness and bacterial infection are predetermined in almost all cases by spiritual malfunction and unrest. And, conditions in accidents are definitely prolonged by any spiritual malfunction. Thus we have the field of medicine addressing the immediate injury, such surgical matters as birth and acute infection, and such things as contusions and abrasions resulting from accidents, as well as the administration of drugs and antibiotics to prevent the demise of the patient in a crisis. This is the role of medicine.

Where predisposition to disease or injury exists, or where disease or injury is being prolonged, or where unhappiness and worry causes mental or physical upset, or where we desire to better and improve communications or social relationships, we are dealing, if we are efficient, in the realm of Scientology. For such things are best healed, or best prevented, or best remedied by immediate and direct recourse to the spirit and its action and determinism of the course of the body.

The only truly therapeutic agent in this universe is the spirit. In Scientology this has been demonstrated with more thoroughness and exists with more certainty than the physical sciences or mathematics. A Scientologist CAN make an individual well, happy, and grant him personal immortality, simply by addressing the human spirit.

For more than ten thousand years man has been accumulating material toward this goal, but it required a wide understanding of the philosophies and processes of Asia and a thorough indoctrination in the Western physical sciences and mathematics to bring about the precision existing in Scientology when practiced properly by

a trained Scientologist. It could be said that with Scientology we have entered The Second Age of Miracles.

It is a discovery of Scientology, a discovery susceptible to the most arduous scientific proofs, that people are not bodies, but that people are living units operating bodies. The living unit we call, in Scientology, a thetan, that being taken from the Greek letter theta [θ], the mathematical symbol used in Scientology to indicate the source of life and life itself. The individual, the person, the actual identity, is this living unit. It is modified by the addition of a body, and by the addition of a body it is brought into a certain unknowingness about its own condition. The mission of Scientology is to raise the knowingness of this spirit to such a degree that it again knows what it is and what it is doing, and in this state the thetan can apply directly to his own body, or to his environment, or to the bodies of others, the healing skill of which he is capable. It is the thetan which builds and constructs, it is the thetan which forms actual forms and organisms.

Amongst the capabilities and potentials of the thetan is immortality in full knowingness of his own identity. The amount of time which he has spent on Earth, and the number of deaths through which he has gone, have brought him into a state of forgetfulness about who and where he has been. This material is recovered in Scientology, if the Scientologist specifically processes toward it.

DISSEMINATION OF MATERIAL

The dissemination of materials of Scientology is a problem of comparable stature to the use of techniques on a preclear in an auditing session. Just as you would not process a preclear with heavy processes when all he could take might be ARC Straightwire, thus you would not issue Scientology materials of considerable weight to people incapable of assimilating them.

The immediate result of the issuance of materials not intended for that audience is to produce a state of confusion in the minds of that audience regarding Scientology. Here we have no question of talking down to people. Here we have no question of "watering" our material, but we do have a question of disseminating Scientology. If we do it properly, then Scientology will be very broadly known. If we do it improperly it will stop in its tracks, and be known, if at all, as a confusion.

When materials are issued above the acceptance level of an audience, a confusion results. A confusion is the antithesis of a flow. Any communication resulting in a confusion then brings about an eddy or tumbling of particles rather than their spread. And a confusion at length becomes a mystery.

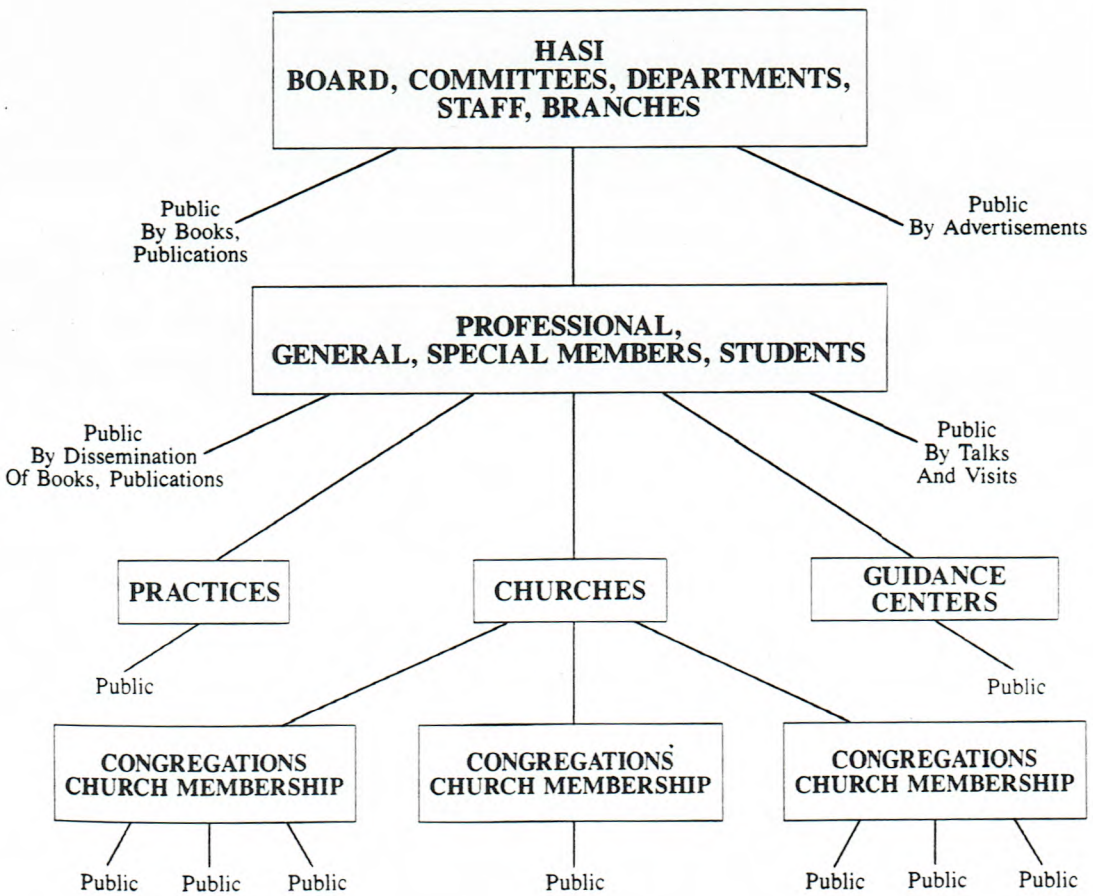
Part ten of the Code of a Scientologist says: "I pledge myself to engage in no unseemly disputes with the uninformed on the subject of my profession." This is an immediate injunction not to start an eddy of confusion. The employment of Scientology to the greatest good of the greatest number of dynamics does not include using it knowingly or unknowingly to confuse hearers.

An outline of the communication lines of Scientology follows:

1. General public to the general public.

2. Scientologists to the general public.

3. Member HASI to member HASI.
4. Trained Scientologist to a member of the HASI.
5. Member of the HASI to a preclear.
6. Trained Scientologist to a preclear.
7. Trained Scientologist to a trained Scientologist.
8. HASI to membership.
9. HASI to trained Scientologist.
10. HASI to the general public.



1. GENERAL PUBLIC TO THE GENERAL PUBLIC

There are several things we would like the general public to say to the general public about Scientology. The first of these is that we would like the general public, when it sees an individual or group problem, to be quite certain that the proper thing to do is for that individual or group to consult a Scientologist. For instance, if somebody is having headaches, we would like his friends to come to the obvious solution that this person should see a Scientologist or should join a group undergoing processing.

The next on this communication line is that Scientology does not pose any threat, that Scientologists are good citizens, and that they can be trusted with problems of a private and confidential nature, or with problems dangerous to other people, such as the problem of criminality. Another frame of mind we would like to see the public have and register is that people attacking Scientologists have something wrong with them (and if you could meet any such people personally you would see that this is no more than truth). As a subdivision of this, the actual substance of communication about what Scientology is, from the general public to the general public, should be that Scientology says that good health and immortality are attainable. That it is something compounded out of all man knows of the subject of man, and that people are living units operating bodies, rather than bodies, and that this living unit is the human soul. Given this much communication line, the general public can embroider enormously, and unless a person in the general public can express his opinions, and unless the subject gives him a chance to express his own opinions, and so let HIM be interestING, he will not talk about the subject. Thus the data in the general public should give individuals a chance to be interesting, by knowing no more and no less than the above. We are not interested in sensationalism, personalities or the complexity of Scientological methodology being discussed by the general public. As a subdivision of this, we do not want Scientology to be reported in the press, anywhere else than on the religious page of newspapers. It is destructive of word of mouth to permit the public presses to express their biased and badly reported sensationalism. Therefore we should be very alert to sue for slander at the slightest chance so as to discourage the public presses from mentioning Scientology. What the newspapers say is not word of mouth. As an example of this, how many minutes today have you spent in discussing current events? NEWSPAPER REPORTERS WRITING ARTICLES ON SCIENTOLOGY DO NOT EXPRESS SCIENTOLOGY. Scientologists should never let themselves be interviewed by the press. That's experience talking!

As a subdivision of general public to general public we have the problem of the professions which might consider Scientology to be antipathetic to them, amongst these would be psychologists and medical doctors as well as psychiatrists. These persons are entirely in error when they express the opinion that Scientologists are against them. Scientology does not consider them sufficiently important to be against. Flour pills or any incantation or system will produce in twenty-two percent of the public, benefit. Therefore, any practice or art can always achieve twenty-two percent recovery in their patients. It is when we better this twenty-two percent that we are being efficient. We have no more quarrel with a psychologist than we would have with an Australian witch doctor. We have no quarrel with a psychiatrist any more than we should quarrel with a barbarian because he had never heard of nuclear physics. And as for the medical doctor, we know very well that modern medical practice, having lately outgrown phlebotomy, has come of age to a point

where it can regulate structure in a most remarkable and admirable way. In Scientology we believe a medical doctor definitely has his role in a society just as an engineer has his role in civil government. We believe that a medical doctor should perform emergency operations such as those made necessary by accidents; that he should perform orthopedics; that he should deliver babies; that he should have charge of the administration of drugs; that his use of antibiotics is beneficial; and that wherever he immediately and curatively addresses structure he is of use in a community. The only place we would limit a medical doctor is in the field of treatment of psychosomatic medicine, where he has admittedly and continuously failed, and the only thing we would ask a medical doctor to change about his practice is to stop taking money for things he knows he cannot cure, i.e., spiritual, mental, psychosomatic and social ills.

With regard to psychologists, medical doctors and psychiatrists then, what would one say in talking with them? But again we have section ten of the Code of a Scientologist. You wouldn't expect this psychologist or psychiatrist or medical doctor to get into an argument with you on how to get rats to find their way through mazes, how you would set a tibia, or what voltage you would put on an electric shock machine. Therefore, and equally, do not permit yourself to be put in the situation where you are discussing privately or in public the methodologies of your wisdom. The attitude of a Scientologist toward people in these professions should be: "I have my techniques. It took me a long time to learn them just as it took you a long time to learn yours, and I am not going to try to make a minister out of you, and you are not going to try to make a medical doctor (psychiatrist, psychologist) out of me. I am an expert instructor only where it is intimately involved with the human spirit. I can produce my effects. You can produce yours. In view of the fact that you do not pretend to operate in the field of the human spirit, and I do not pretend to operate in the field of structure, I do not see how there can be any discussion. But things that I can't handle in structure when called upon I will be very happy to refer to you, and I shall expect that when matters of the spirit come into question you will have enough understanding of life, where we are all specialists, to refer them to me." A quiet explanation of this character will do a great deal to place you as a professional man in their realm of understanding of professional men.

Should anyone challenge you for having suddenly secured a relief in a hospital or an institution from some dire malady which balked the efforts of the professional men in charge of it, and should you ever be "called upon the carpet" for having "interfered" with the progress of a case, you should be extremely dismayed, and act it, to find yourself in the presence of barbarians who do not believe in the power of prayer, in the will of God, or the promises of Jesus Christ. And you should point out that whereas the body was in their keeping, they did not at any time care to take purview of the human soul. And if anything has occurred because the soul, in your province, then reacted upon the body, you believe that they are unwilling to admit the will of God in their treatment of human beings, and if this is the case you now, while you are being addressed by such people, discover yourself to be in a strange place where men pretending to be Christians doubt God, the Son of God and the power of prayer. Your entire address to such people in such a situation, publicly or privately, should be entirely overt, accusative and not at any time apologetic. And you should immediately make it your business to place this matter before the proper authorities, that people are in charge of an institution here, are not Christians and do not believe in God, and you should inform your accusers that you are going to do so.

Should you ever be arrested for practicing Scientology, treating people, make very sure, long before the time comes, that you have never used drugs or surgery, and that you have never prescribed a diet or vitamins, and when that time might come make very sure that you immediately and instantly, within two or three hours after your receipt of the warrant, have served upon the signer of that warrant, a personal civil suit for $100,000.00 damages for having caused the arrest of a man of God going about his business in his proper profession, and for having brought about embarrassing publicity and molestation. Place the suit and WIRE THE HASI IMMEDIATELY. Make the whole interest during the entire time of such an unfortunate occurrence the fact that the signer of such a warrant, who would ordinarily be a medical doctor in charge of the medical department of some city, had dared fly in the teeth of religion. And use what is necessary of the earlier passage above to drive the point home. DO NOT simply fall back out of communication if you are attacked, but attack, much more forcefully, and artfully and arduously. And if you are foolish enough to have an attorney who tells you not to sue, immediately dismiss him and get an attorney who will sue. Or, if no attorney will sue, simply have an HASI suit form filled out and present it yourself to the county clerk in the court of the area in which your case has come up.

IN ALL SUCH CASES OF ARREST FOR THE PRACTICE OF SCIENTOLOGY, THE HASI WILL SEND A REPRESENTATIVE AT ONCE, BUT DO NOT WAIT FOR HIS ARRIVAL TO PLACE THIS SUIT. THE SUIT MUST ALREADY HAVE BEEN FILED WHEN THE HASI ATTORNEY ARRIVES.

In other words, do not at any moment leave this act unpunished, for if you do you are harming all other Scientologists in the area. When you are attacked it is your responsibility then to secure from further attack not only yourself but all those who work with you. Cause blue flame to dance on the courthouse roof until everybody has apologized profusely for having dared to become so adventurous as to arrest a Scientologist who, as a minister of the Church, was going about his regular duties. As far as the advices of attorneys go that you should not sue, that you should not attack, be aware of the fact that I, myself, in Wichita, Kansas, had the rather interesting experience of discovering that my attorney, employed by me and paid by me, had been for some three months in the employ of the people who were attacking me, and that this attorney had collected some insignificant sum of money after I hired him, by going over to the enemy and acting upon their advices. This actually occurred, so beware of attorneys who tell you not to sue. And I call to your attention the situation of any besieged fortress. If that fortress does not make sallies, does not send forth patrols to attack and harass and does not utilize itself to make the besieging of it a highly dangerous occupation, that fortress may, and most often does, fall.

The DEFENSE of anything is UNTENABLE. The only way to defend anything is to ATTACK, and if you ever forget that then you will lose every battle you are ever engaged in, whether it is in terms of personal conversation, public debate, or a court of law. NEVER BE INTERESTED IN CHARGES. DO, yourself, much MORE CHARGING and you will WIN. And the public, seeing that you won, will then have a communication line to the effect that Scientologists WIN. Don't ever let them have any other thought than that Scientology takes all of its objectives.

Another point directly in the interest of keeping the general public to the general public communication line in good odor: It is vitally important that a Scientologist put into action and overtly keep in action Article Four of the

Code— "I pledge myself to punish to the fullest extent of my power anyone misusing or degrading Scientology to harmful ends." The only way you can guarantee that Scientology will not be degraded or misused is to make sure that only those who are trained in it practice it. If you find somebody practicing Scientology who is not qualified, you should give them an opportunity to be formally trained, at their expense, so that they will not abuse and degrade the subject. And you would not take as any substitute for formal training any amount of study.

You would therefore delegate to members of the HASI who are not otherwise certified only those processes mentioned below, and would discourage them from using any other processes. More particularly, if you discovered that some group calling itself "precept processing" had set up and established a series of meetings in your area, you would do all you could to make things interesting for them. In view of the fact that the HASI holds the copyrights for all such material, and that a scientific organization of material can be copyrighted and is therefore owned, the least that could be done to such an area is the placement of a suit against them for using materials of Scientology without authority. Only a member of the HASI or a member of one of the churches affiliated with the HASI has the authority to use this information.

A DScn has the power to revoke a certificate below the level of DScn but not a DScn. However, he can even recommend to the CECS of the HASI that DScns be revoked, and so any sincere Scientologist is capable of policing Scientology. This is again all in the interest of keeping the public with a good opinion of Scientology, since bad Group Processing and bad auditing are worse than bad publicity and are the worst thing that can happen to the general public to general public communication line.

The best thing that can happen to it is good auditing, good public presentation and a sincere approach on the subject of Scientology itself. Remember, we are interested in ALL treatment being beneficial, whether it is Scientology or not. For bad treatment in any line lowers the public opinion of all treatment.

In addressing persons professionally interested in the ministry, we have another interesting problem in public presentation. We should not engage in religious discussions. In the first place, as Scientologists, we are gnostics, which is to say that we know that we know. People in the ministry ordinarily suppose that knowingness and knowledge are elsewhere resident than in themselves. They believe in belief and substitute belief for wisdom. This makes Scientology no less a religion, but makes it a religion with an older tradition and puts it on an intellectual plane.

Religious philosophy, then, as represented by Scientology, would be opposed in such a discussion to religious practice. We are all-denominational rather than non-denominational, and so we should be perfectly willing to include in our ranks a Moslem or a Taoist, as well as any Protestant or Catholic, while people of the ministry in Western civilization, unless they are evangelists, are usually dedicated severely to some faction which in itself is in violent argument with many other similar factions. Thus these people are ready to argue and are practiced in argument, and there are more interpretations of one line of scripture than there are sunbeams in a day. Beyond explaining one's all-denominational character, explaining that one holds the Bible as a holy work, one should recognize that the clergy of Western Protestant churches defines a minister or the standing of a

church by these salient facts: Jesus Christ was the Savior of Mankind, Jesus Christ was the Son of God.

We in Scientology find no argument with this and so in discussing Scientology with other ministry one should advance these two points somewhere in the conversation. Additionally, one should advance to the ministry exactly those things mentioned earlier as what we would like the general public to believe. Christ, if you care to study the New Testament, instructed his disciples to bring wisdom and good health to man, and promised mankind immortality, and said the Kingdom of Heaven was at hand and the translators have not added that "at hand" possibly meant three feet back of your head. We could bring up these points but there is no reason to. You are not trying to educate other ministry. A friendly attitude toward other ministry in general, and fellow ministers in particular, is necessary.

The way to handle an individual minister of some other church is as follows: Get him to tell you exactly what HE believes, get him to agree that religious freedom is desirable, then tell him to make sure that if that's the way he believes, he should keep on believing that, and that you would do anything to defend his right to believe that.

None of these people as individuals are antipathetic. They know a great deal about public presence and can be respected for such knowledge. However, engaging in long discourses or trying to educate a minister of some Protestant church or a priest of the Catholic faith into the tenets of Scientology is not desirable and is directly contrary to Article Ten of the Code of a Scientologist.

You will find you have many problems and people in common with other ministers. They're alive too. Also you will see a campaign to place only ministers in charge of the mind and mental healing. Talk about these things.

The Christian Church has been hurt by factionalism. We stand for peace and happiness. Therefore, let us carry it forward by example, not by unseemly discussions.

2. SCIENTOLOGISTS TO THE GENERAL PUBLIC

In the assemblage of congregations, and in addressing the general public at large, a Scientologist has a responsibility to give to the public, in the form of such congregations or meetings, information acceptable to them, which can be understood by them and which will send them away with the impression that the Scientologist who addressed them knew definitely what he was talking about and that Scientology is an unconfused, clear-cut subject.

Anyone using Scientology must state that he is using Scientology. He cannot, must not, leave it unnamed or call it by another name. Use of it without naming it is a breach of law.

A Scientologist, when addressing public groups, would never under any circumstances confuse his communication line by engaging in a debate from the floor or closing terminals with any persons who would care to heckle him. By simply ignoring such people, one continues to talk to the bulk of the people who are themselves very interested. When anyone causes an unseemly upset, it is

rarely difficult to have the person removed from the group. In other words, either ignore him or remove him. Don't engage in a debate with him.

Similarly, no Scientologist would ever consent to take a position on a panel or on a stage engaging in a debate of Scientology versus some other subject. This is an entirely unclear communication line. People are not interested in a debate. They are interested, if they are there at all, in Scientology. Why, therefore, give some other subjects an audience before which it could air its views? In the last five years I have turned down innumerable offers of debates, for I have found out that Dianetics or Scientology was the attraction and that medicine or psychology was using the public interest in this new subject in order to further their own aims, and that any such debate engaged upon demeaned and degraded Scientology by permitting it to be talked about contemptuously before a group—a thing which SHOULD NEVER BE PERMITTED.

The first and foremost thing which a Scientologist should do in the way of information is to relay the data contained in the earlier section. He should punch this hard, regardless of what kind of a group he is talking to. He should tell them overtly that when they see somebody who is sick or unhappy, that if their illness does not require the immediate attention of a medical doctor, then the thing for them to tell that person or that person's family is to SEE A SCIENTOLOGIST.

He should also punch home the fact that Scientology believes in the three things Christ intended for man: wisdom, good health and immortality. In other words, he should make it his business to use such an opportunity of addressing a group to pound home what we think the general public should say to the general public about Scientology. He should start this simply by saying it to such groups insistently and many times. He could add a great deal of descriptive material to this, but he should not go further into the field of data. In other words, he should talk in generalities. He should describe a Scientologist as one with a mission to bring wisdom, good health and immortality to the public. He should describe the aims and goals of the organizations, which are to assist in wiping out criminality, insanity and war.

He should pound home to such groups the fact that the human spirit is the only therapeutic agent of any lasting value. He should tell such groups what Scientology can do for them in bringing them wisdom, happiness, good health and immortality. He should describe to them how long it takes in individual processes. Above all, HE SHOULD BE HONEST. He should tell exactly what he himself feels to be true, but he should not give them involved data.

It very often happens that a Scientologist who has recently come from the HASI will be asked about the state of cases of people who have passed through that area. He should give his honest and forthright opinion, not any dressed-up or hopeful conclusion. He should tell what he himself observes. When asked about the training given in that area he should state exactly what his opinion is of that training in the area, and this sincerity itself will communicate.

He will find that people like to do little scandalmongering and that people who ask the most questions do not represent the general attitude of the group. This is one of the foremost lessons a Scientologist learns in addressing congregations, that the people who "close terminals" with him at the break or at the end of the lecture do not represent the opinion of the group. The general opinion of the

group is a fairly high one. The people who close terminals with him have opinions and data which are fairly low, since these people close terminals because they are low on the Tone Scale. Therefore he should be able to lift his eyes over the whole group and see what kind of a reaction the group itself has, not merely those who speak. The people who speak from a group are not the spokesmen of a group. The spokesman of the group is the Scientologist himself as he stands there addressing the group and he can regulate their tone and reception at will. He does this best by not closing terminals with the most upsetting elements of the group.

The group occasionally wants to know something about other Scientologists. They have heard things. Those inquiries about myself are best answered in this wise: that in all Ron's experience with rumors and stories about himself, he has yet to hear one single story come back to him in a form which even vaguely approached the truth or the circumstances about which it was told, and he has heard many, many things which did not happen at all.

Thus, it is the case with Scientologists at large. Many things are said about them, but they have this experience every now and then that one of these stories comes back to them and when it comes back to them they will not recognize the incident.

It happens that it is the tone level of the general public that scandal and untruth take precedence. I ask you to consult the Chart of Human Evaluation and you will discover in that chart that truth does not exist below the level of 2.0. Therefore, why should you be surprised that so many twisted stories are circulated? They are circulated about you as a Scientologist as well as about me as the Founder of Scientology. Standing together we can best this vagary of human communication lines. The example is set for the public by its newspapers, which themselves offer little but untruths.

And I call to your attention that courts do not admit hearsay evidence. They have learned after long experience that they can only accept what the witness himself has observed, and that they can never accept what the witness has heard that somebody else observed. Hearsay evidence, that evidence which simply recounts what somebody else has said he observed, is not admissible in courts of law anywhere in the civilized world and has not been since Roman times. Compare this, then, to the communication line of hearsays in terms of rumors and find that there is little to be gained in either clarifying or forwarding such rumors. In discussing rumors with groups, discuss only the Tone Scale and theory of rumors. Use rumors as a chance to teach, for a Scientologist is a teacher.

On the subject of myself, a Scientologist addressing any group of people, when the subject is brought up and not otherwise, should make it clear that Ron is just a human being who has been working hard to solve some of the problems of life; that he has behind him now, on this subject, in the public eye, many years of sincere application to the subject, and that many results beneficial to people have resulted. That he has a definite idea of where he is going and what he is doing, and that, like anyone introducing new things into the society, a great deal of rumor and upset and backbiting can be expected. In other words, on such a thing, pass it all off.

As for himself, when addressing congregations, a Scientologist should be very careful to express his own personality and to express himself as himself, not in just any role which will suit the particular congregation he is addressing.

People may believe him to be indifferently trained as a Scientologist, but then, they believe that I am indifferently trained, too, whereas *Who Knows and What,* the companion book to *Who's Who in America,* which gives the professional experts of the country, and which you can find in any good library, lists me as an expert in psychology, and any certified Scientologist has actually invested more hours of study and practice in his subject than a medical doctor or psychologist has invested in the study of the mind.

If you do not believe this, simply add up the number of hours psychologists and medical doctors are actually in classes which teach theory and practice on the mind, and you will discover something interesting. Add up the number of hours you have spent in study in Scientology and Dianetics schools and your own hours of study and practice, and you will see some truth in the fact that nearly all Doctors of Scientology have invested somewhere in the neighborhood of five thousand hours in training, which is an overpowering amount of training.

In other words, do not let the matter of skill fall into question, and overtly represent that both the Founder of this science and those who are truly practicing this science are the best trained people in the field of the spirit and the mind in the world today. This could not have been said four years ago, but do not let the impression of four years ago continue to exist. Today they are really trained, but an auditor has a tendency to forget how well trained he is because he does not know how poorly trained other professions are in their subjects.

3. MEMBER HASI TO MEMBER HASI

Members of the HASI are theoretically bound by the Code of a Scientologist, and they should be reminded of this by Scientologists who are certified. They have the right, theoretically, to use and to study any and all of the materials of Scientology. This right is exemplified by the fact that the professional course tapes are made available to individuals and groups who are not possessed of the right to teach. The reason for this is that a communication line to the membership must not be cut.

This does not mean that a member is going to use these materials responsibly, but he has a complete right to have them and to discuss them with members. A member of the HASI is included as a Scientologist and should be cognizant of sections 1 and 2 above.

4. TRAINED SCIENTOLOGIST TO A MEMBER OF THE HASI

It is the duty of certified auditors to place their information at the disposal of members, at the same time enjoining them that there is no substitute for formal training.

A member of the HASI, as far as information is concerned, may have a great deal of material available, but the certified auditor should extend to him only the book *Self Analysis in Scientology,** The Group Auditor's Handbook, and Issue 31-G of the *Journal** to use upon preclears. These can be used with some success by people who are not trained.

*[*Editor's note: Self Analysis in Scientology* is a revision of the book *Self Analysis,* rewritten in the fall of 1952 for use in Creative Processing to get the preclear to mock up the items. This change was later reverted back to the original *Self Analysis. Self Analysis in Scientology* is out of print.]

*[*Editor's note:* Issue 31-G of the *Journal* refers to the 31st issue of *The Journal of Scientology,* a magazine published twice monthly by the Hubbard Association of Scientologists, Inc., Phoenix, Arizona in the early 50s. Issue 31-G was published mid-summer 1954 and contained numerous processes later included in the book *Creation of Human Ability,* which was published in early 1955.]

5. MEMBER OF THE HASI TO A PRECLEAR

Only members of the HASI, or of specifically delineated affiliated organizations have the right to use the materials of Scientology—a fact which the HASI is prepared to enforce as it can do legally at any financial cost. (Membership, however, does not give the right to publish or excerpt or reorganize Scientology, nor the right to teach it formally.)

Members of the HASI as well as auditors have the right to possess, study and know, all the materials of Scientology. In practice however, a member of the HASI who is not otherwise a certified auditor has no rights of professional practice and may not process for personal gain, and will not be supported by the HASI or its auditors should he err or get into difficulties through having used processes on preclears, with only one exception. A member of the HASI may apply to a preclear informally, and not as professional practice, and not for gain, and exactly as composed, *Self Analysis in Scientology,* Issue 31-G, and used as an individual process or group process, but again exactly as given to individuals or groups, *The Group Auditor's Handbook.*

A member of the HASI is expected to follow the Auditor's Code and the Code of a Scientologist, and even if he does not know them well or know about them, he may have his membership revoked by the CECS for failure to follow them, since wide agreement and practice have demonstrated that processing is ineffective or even harmful when executed without observance of the Auditor's Code, 1954, and that the subject of Scientology itself undeservedly suffers through failure to follow the Code of a Scientologist.

Where preclears in general are concerned, a member of the HASI would do well when not trained as an auditor to refer such preclears to a trained auditor.

6. TRAINED SCIENTOLOGIST TO PRECLEAR

The dissemination of information to a preclear is completely forbidden by the Auditor's Code, 1954. This is evaluation.

While it is not true that a person trained in Scientology is immediately and for that reason harder to process than one who is not trained, it is true that forwarding information about the preclear's own case, or giving him materials of Scientology while he is undergoing processing reduces the effectiveness of processing.

7. TRAINED SCIENTOLOGIST TO TRAINED SCIENTOLOGIST

It might be a surprise that any injunction about the dissemination of information would have to be outlined where communication is between a trained Scientologist and a trained Scientologist. However, experience has demonstrated that these two, particularly when auditing each other, get into many involvements over what the exact point of the process is.

We discovered a short time ago with some amazement that this was a major block on co-auditing teams composed of trained Scientologists only. It seems that it is not unusual for two trained Scientologists, one processing the other, to get into violent discussions regarding the exact running of processes, with the session

suspended while they consult texts and tapes. In this regard, an auditor being processed by another auditor should, in the first place, have made sure that he had a Scientologist of comparable skill. In the second place, an auditor being audited should be content to be a preclear for the term of the session. It could be said that an auditor who has not been audited badly once in a while doesn't know how grim it can get and won't regulate his own processing of preclears accordingly, because any trained Scientologist has a great many ways of getting preclears out of trouble, and no permanent damage can result.

Although the Code of a Scientologist specifically forbids a Scientologist to talk out loud to the public about other Scientologists and to run them down, it definitely does not forbid this practice among auditors. However, it does forbid defamation by an auditor of anyone in Scientology in any published form.

A great many newsletters exist in Scientology which are more or less intended to be for circulation amongst Dianeticists and Scientologists and which take wide liberties with the reputations of all concerned. Any member or trained Scientologist expressing himself in such a way as to defame Scientology or the people connected with it may find himself in considerable legal difficulty. Although during the formative years of Dianetics and Scientology no one had enough time or patience to find out what was being written in such magazines or newsletters, the situation has now changed, and enough time and money is now available to free all of us from this great deterrent to our common purpose of making this world a better place in which to live.

The trained Scientologist does and should make his experience known to other trained Scientologists. In accordance with the Code of a Scientologist he is expected to repress the names of actual preclears as per Article Nine: "I pledge myself to refuse to impart personal secrets of my preclears." However, discussing cases with a trained auditor discovers often a necessity to be highly specific, for such cases are quite usually experienced in common.

This discussion of peculiarities of a case has nothing to do with revealing the secrets of a preclear, since processing today is not even vaguely interested in obtaining secrets from a preclear.

Discussing cases amongst auditors is not the same as discussing cases with HASI members, groups or the public. An auditor must never discuss a case with people who are not auditors beyond mentioning difficulties, exactly pertinent to the arrangements of processing, to those upon whom a case might be dependent. And, if an auditor should have occasion to mention a case to a congregation or a group, he should so disguise the identity and particulars of the case so as not to embarrass anyone, for it is quite often part of training and part of description of Scientology to interested groups to mention that such and such a type of case has recovered.

A highly specialized part of this communication line from trained Scientologist to trained Scientologist is the certified auditor to the student. While no certified auditor should invade and attempt to instruct the students of some other auditor, a great deal of liberty is possible between the trained auditor and the student, except in such instances as when the status of a student is questionable. By student here one means not someone who is studying Scientology, but one who is regularly and specifically enrolled toward a certain degree.

Students should not be given misinformation, and very definitely and specifically, as will be covered shortly, they should not be given experimental data of any kind whatsoever. It is disastrous to take a student who is not yet capable of the most elementary processes of Scientology, no matter how capable he himself thinks he is, and turn him loose with some experimental data. The immediate result of this is distraction of the student from his course of study and entering him upon a line of investigation. Giving a student experimental data—and I should know—is like turning him loose on a dark night in a sea filled with rocks. The result is that he will go aground and his preclear will go aground. Where students are co-auditing, any time you find any case in a unit bogging, look for the person who audited him with experimental techniques. You will occasionally find that the person who audited him on the experimental technique was not a member of that unit, or was some wildcat with no more purpose than "observe the effect."

A certified auditor should be courteous to the student. The student will, in all probability, become a certified auditor.

One of the hidden but more vicious crimes which can be committed in communicating information to students is to give them the data and deny them affinity, and cut the affinity lines connected to the data. One Scientologist who was very widely known in the early days trained many auditors, but it was found later that every auditor he had trained had been estranged from the subject by being estranged by this Scientologist from any Scientologist who was following closely the course of investigation I was undertaking. He gave them data, but somehow he gave them to understand that I and auditors around me had something vague and unstated wrong in the personality or behavior sector. He never gave any specific example to these students, since he never could have done so with any truth, but he conveyed to them that the subject was one thing, and I, and other auditors, quite another. That the subject was good, the people who originated and practiced it were bad.

As a result every single one of his students who has come through later training units was found to be entirely deficient in a basic understanding of Scientology. Alloying the affinity of the subject itself, the subject would then not communicate to them, and the students did not know whether they had studied gastronomy or monotony, and as a result each and every one of them had long and arduous lines of failures as auditors.

The Scientologist of whom I speak in course of time obtained no more students, not from any overt act against him by the HAS or the HASI, but because this continual failure eventually accumulated to himself and he failed in his entire establishment. I do not believe this person knows to this day what actually happened to him and his business. The alloying of the affinity line, no matter how vaguely, alloys the actual communication of data. Simply adhering to the Code of a Scientologist, regardless of one's personal opinions, however right or wrong these may be, will actually bring good training to students.

If it is in the obsessive nature of man always to have something bad to point out, and if this obsession cannot be avoided, then point out the horribly pockmarked state of the moon, not the people who are making a sincere try in Scientology.

For a long time a condition existed which confused the communication line between trained auditors and trained auditors. In view of the fact that the subject was advancing, and its advance was not being interrupted simply because people had not been trained each time to the new level, auditors who had just graduated from a school were prone to feel very superior and derogatory toward auditors who had been trained a year or so previously. There might or might not have been good reason for this, but with the Seventh Clinical Unit* I found that we could stabilize processes and that we did have processes now that weren't changing simply because of new data, and so this information level could be stabilized.

It is the responsibility of any trained Scientologist to make sure that anyone with a certificate in his area is, by whatever means, brought up to the training level which exists today. It is the particular responsibility of the Doctors of Scientology who themselves have a right to examine for or to revoke certificates.

This retraining of older Scientologists by those with later training presents a peculiar problem, since Scientology has worked for the well-trained auditor for two years.

However, for some time to come it will be necessary for auditors trained to the prescribed level to exactly follow the training letter of July 1954 in their retraining of certified auditors in their area. The HASI intends to pick up and stabilize every certificate ever issued at one time or another, and to that end currently offers a one-month retraining course at half the cost charged regular students so that certified auditors can be stabilized in training. For this is a matter of people who do not know basic techniques or how to work them. It is training, not Scientology, which is at fault in such a case.

8. HASI TO THE MEMBERSHIP

The Hubbard Association of Scientologists, International is by law a fellowship of persons actively interested in and to a greater or lesser extent trained in Scientology. It is not a public organization, but a professional organization. The casual public member of Scientology who is interested in its results and what it represents to civilization is expected to be a member of an affiliated organization such as the Church of Scientology and the Church of American Science. Those who conduct, process and handle congregations and the churches are members of the HASI. The congregations themselves are members of the Church of Scientology or the Church of American Science. In the role of being a professional organization, the HASI, then, conducts the schools and seminaries or regulates the training done by professionals in Scientology.

The HASI is also a publications organization which furnishes the materials for training done by professionals in Scientology. The HASI is additionally a research and investigation unit. Publications, research and investigation, professional services, and the regulation of those actively practicing Scientology so as to secure good public acceptance, are the functions of the HASI.

The churches accumulate congregations, conduct public programs, and generally unify, disseminate and practice Scientology. In other words, here we have a group of professionals, their publications and their data coordination center who are banded together for the uniform good practice of their subject and conduct of their activities. And here we have these professionals operating congregations and

*_Seventh Clinical Unit:_ The Seventh Advanced Clinical Course taught by LRH in Phoenix, Arizona, during June and July of 1954.

units of various kinds which actively practice Scientology in the public. If you can see this picture clearly, then you can understand all the organizations of Scientology, and you will understand the function and services of those organizations.

Under the HASI is the Committee for Examination, Certification and Services. (This organization was, for a short time in its early days, the Professional Auditors Guild, International [PAGI] and then the International Guild of Scientologists [IG of S] but, when the public confused it to be an additional organization, became the Committee for Examination, Certification and Services of the HASI, which is what it had been in function all the time.)

This is the body of principal authority and court of appeals of Scientology. As the State of Arizona has made the HASI the issuing authority of certificates in Dianetics and Scientology, and as LRH's signature previously was all which gave authority to certificates, the CECS then, by the laws of the State of Arizona and LRH's own delegation of certification power, controls all the certificates of Dianetics and Scientology ever issued.

No other organization or unit of any kind whatsoever has authority to issue certificates in Dianetics and Scientology outside the scope and authority of the CECS. The CECS is a committee composed of five Doctors of Scientology, who also hold Doctors of Divinity in affiliated organizations. When a Doctor of Scientology in the field has trained someone up to the level of HCA and when that person has been examined by another Doctor of Scientology, the recommendation for certification is forwarded to and passed by the CECS.

The CECS has representatives on every continent in the world. It is their purpose to guarantee the good practice of Scientology by all its practitioners everywhere. This committee for the HASI also extends various services to those professionally interested in the practice of Scientology. These are actually the services of the HASI itself, but it is the CECS which regulates what they are and polices the communication lines.

In matters of dissemination of materials of Scientology or in the improvement of practice in the field, or the revocation of or reduction of certificate levels, it would be the HASI which would be acting, and it would be acting through the CECS.

The HASI has what might seem at first a peculiar idea of what constitutes a communications or processing crime. It believes that the crimes of communication are not comparable to the crimes of noncommunication, and it holds far more detrimental to Scientology a FAILURE to circulate and communicate than it does TO communicate. If you will look over the MEST universe you will discover that one is only punished for two things by the MEST universe. The first of these is for communicating. The second of these is for being there. Nearly any organization of professionals which man has had has specialized almost entirely in punishing only those who communicated or acted.

We see this reflected in the government, in an army or a navy. In such places an officer or enlisted man may go through an entire life of service, piling up crime after crime of omission, and yet arrive with the highest rank and honors. Such services know, in theory, that there are two crimes: one is the crime of

commission, the other is the crime of omission. Yet they punish only the crimes of commission. In other words, such services punish only those people who act, who communicate, who try to get something done. It is very true that you will never get a black mark on your record in such services if you simply do nothing. In World War II, for instance, it was common experience for units or men to simply refuse to act even though their friends or fellows were in danger.

Refusing to communicate, refusing to act, are alike crimes of omission, of noncommunication. And when an organization begins to specialize in punishing those people who communicate, who act, who circulate, that organization is cutting its own communication lines, its own efficiency, and spelling out its own eventual defeat.

On this theory, then, the HASI does not specialize in punishing those who communicate, except, of course, in cases where the communication is obvious slander intended to injure Scientology or the HASI, done by people who are not part of the HASI, as the people who conduct campaigns against Scientology are Scientologists or have been trained in Scientology.

Although Scientology communication lines are sometimes muddled up by the writings or letters of people condemning Scientology and Scientologists, a checkup will discover these people to be medical doctors or psychologists who are utilizing the freedom of speech existing in Scientology to deter that science from wiping out, as it might possibly do, medicine and psychiatry and psychology. While it is not the intention of the HASI to flatten or wipe out any science or field of endeavor, such a thing is an inevitable consequence of introducing efficiency where ignorance existed before.

Thus, people from medicine and psychology in particular sometimes use the communication lines of Scientology, as though they were Scientologists, in order to condemn Scientology, the HASI, well-known auditors in Scientology, or L. Ron Hubbard. By cutting the communication lines of such people one is not cutting any SCIENTOLOGY communication lines. He is cutting only the communication lines of medicine and psychology, which, very wrongly, consider themselves to be rivals in the field of Scientology. Scientology cares nothing about either medicine or psychiatry.

The HASI, by the way, after much sad experience in trying to train them, now has a rule which forbids the training of medical doctors, psychiatrists, psychologists, chiropractors and like professionals. A Doctor of Scientology is permitted to train them only in very special cases.

The HASI exists to assist communication of Scientologists just as these data in this book exist. These data are proposed simply because they are more efficient, not because they are all mandatory. On the other hand, the CECS for the HASI views very dimly a Scientologist who has been trained at considerable trouble to the organization, who has been provided with materials, information, tapes, with the goodwill of the organization, and who has had the HASI vouch for him to his practice or his public, then does nothing.

Such a person trained and equipped who is sitting still, who is not active, or who goes off to other fields and ignores what has been done for him, and ignores what he was supposed to do with the information, is the chief target of the HASI's

CECS. The HASI will do all in its power to help such an individual bring his own case level up to an overt point, and to assist him in his communication and action in the society. But when it is at last convinced that the person does not mean to communicate, does not mean to act, then it has no choice but to put him out of action by the various legal means available to the CECS. In other words, we want no professional "cases." We want professional auditors.

The CECS also exists to keep Scientology organizations solvent by proposing to them campaigns and activities which will bring them revenue. The CECS, however, can be counted upon to act when it becomes convinced that someone is using Scientology in such a way as to accumulate funds by whatever means or by becoming a thoroughly bad credit risk so as to endanger the financial standing of all Scientologists in an area, as happened in 1954 in Los Angeles.

In case of arrest or severe oppression of a trained Scientologist, the HASI's CECS is prepared to send into that person's area an attorney to clarify the situation.

The policy of the HASI to its membership in terms of data is that any member of the HASI, whether sustaining, special or professional, is entitled to possess any of the information available on the subject of Dianetics or Scientology and to use that information so as to secure a wider understanding of Scientology. By such data as is contained in this booklet the dissemination of such data is made more efficient, but the dissemination of information advised in this booklet is only recommended—it is not enforced.

Naturally, the HASI expects someone of the stature of a Doctor of Scientology to use with great understanding and great effectiveness this information; it does not enjoin the same efficiency upon a sustaining member.

This table of information, then, is not a catalog of crimes but a catalog of recommended communications. Any member can possess this information and use the information of Scientology in any way he cares to use it. The only time use of that information becomes a crime in the eyes of the HASI is (a) when he knowingly disseminates information to groups or attempts to ape or copy the activities of the HASI under another name than Scientology; (b) when he causes to be copyrighted any of the materials of Scientology under his own or an organizational name, or the names of others whom he controls; (c) when a member who is not certified or who does not have his certificate in force or whose membership has lapsed, practices Scientology professionally for the purpose of professional or financial gain; (d) when a member or an auditor whose certificate is or is not in force recommends, advises or prescribes along with Scientology, medicine, vitamins, food supplements or food, or who uses in connection with his practice any electronic devices, such as diathermy or E-Meters; (e) any member or certified auditor who combines the practice of Scientology with chiropractic, psychiatry, osteopathy, naturopathy, psychology or any other pseudomedical or medical activity; (f) any member or certified auditor who practices Scientology and calls it Dianetics, or who if certified only to practice Dianetics, does not practice Dianetics but practices Scientology; (g) who fails to follow the Code of a Scientologist; (h) any member or auditor who flagrantly and repeatedly violates in his practice the Auditor's Code 1954.

The reason there is any punitive activity at all on the part of the HASI's CECS lies with the member or auditor himself. A professional auditor has a right

to personal good public repute, and he has a right to be respected for the reason that that which he represents is respected. He has a right to practice Scientology without harassment from those in his immediate area and he has a right to be free from wildcat and unauthorized activities in his area destructive to the general repute of Scientology. Further, he has a right to benefit from the general accumulation of people in the society who have got well because of Scientology. It is in the personal interest of every auditor that any auditor who processes anybody secure excellent results upon that person, for that person will then tell others and so good practices can be built and held.

He has a right as well to standardized fees not cut to pieces by somebody not authorized, processing poorly and for very little. Furthermore, he has a right to have in any preclear he receives from any other Scientologist a person whose case is already well advanced. Here is an auditor who has been trained, who has studied his subject, who has accumulated experience and who is prepared to deliver good results. He goes into an area where somebody has been using Dianetics or Scientology without any attention to what they actually are, has been using it unethically and who has been getting very poor results. This trained auditor is immediately victimized by the repute of the subject in that area. A member or an auditor has rights to be respected for what they are. People who would cut those rights to pieces or render them less must, of course, be policed.

The ease of policing, if we must call it that, in Scientology rests on the fact that the materials of Scientology are a scientific organization of data adequately and amply copyrighted and owned, and a member or an auditor of the HASI has a right to use them; but a person who is not a member or an auditor does not have any right either to use them or to possess them, and can be sued for doing so.

Furthermore, such a person practicing Scientology illegally, or using the materials of Scientology illegally, can be sued by an individual auditor in an area by an authority sent to that individual auditor by the CECS.

As far as public attacks upon individual auditors, the HASI or LRH are concerned, it has been discovered that all those who have attacked along these lines in the past, by some strange coincidence, are criminally liable for other things on quite other counts for the most part. This is not a hopeful statement nor an effort to propagandize any doubter into thinking that these attacks are untrue. They are untrue, they were untrue at the time.

Further, such attacks do relatively little damage, and in all truth, we don't spend much time worrying over being attacked. We like others to have to worry about that. But behind every one of these attacks, every time they have occurred in the past, has rested a criminal record of one kind or another. These were the kind of people one would employ if one were some hostile organization. The chief person responsible for attacks upon LRH's character in recent years was, for instance, expelled from college during his second year for grand larceny and is guilty of at least one count of perjury before Federal courts. Another person, who made the biggest splash in the newspapers (in California, where else?) was found, upon investigation, to have come from a criminal family, to have been a member of an organization pledged to overthrow the United States government by force and who committed, in making attacks, perjury on several counts, and who, when finally confronted with this fact, signed full confessions of perjury. Not all the people, of course, who make attacks upon Scientology, its organiza-

tions, its auditors or LRH, do so from any other motive than confusion. They don't know what any of these things are about and are afraid.

But when these attacks assume a public crescendo, it has been discovered in the past that the attacker was a criminal by record; thus you can see the ease with which such people can be handled. Oddly enough, there are only about twenty people in all these five years who have made such attacks and who have caused difficulties for this work. Not all of these are known to be criminals and not all of them have committed actual crimes while making these attacks so far as we know, but the most serious of these attacks WERE made by criminals. Therefore, an individual auditor finding himself confronted in an area by scurrilous and vicious attacks has only to trace these to their actual author and then trace the actual author, through police or "private eyes," to find that he has far more upon which to base charges than merely a dislike of Scientology. Normally such attacks are motivated by a frantic need for secrecy and the fear that any subject which could if it wished penetrate to the inmost secrets of a being would disclose things which such people feel would disgrace them forever.

Now, this matter of punishment is not a very happy subject, but neither is it a very happy subject for individual auditors or an organization to be engaged upon a provenly sincere course of intent in civilization and yet be balked by people who have no understanding or who represent the baser elements of a society. If we find all this uproar and entheta stemming, over a period of five years, from only twenty people, we can see that twenty people meaning no good can create a considerable communication block to us. Thus it is the responsibility of the individual auditor in his area, if he wishes to guarantee himself a quiet, pleasant, beneficial and remunerative practice, to be very alert and quite punitive where unauthorized persons and uninformed persons go on an all-out attack against him, against Scientology, against its organizations, or who illegally use or misuse Scientology.

And all of Scientology holds such a member or auditor as their hope in smoothing out our communication lines. It is an entirely moral duty to be punitive against strangers and outsiders who would stop the progress of this civilization.

It might be felt at times that by becoming possessed of a greater wisdom, a greater freedom, an individual has to some degree separated himself from the human race. True enough, he has separated himself from the more stupid elements of the human race, but it is not true that he has divorced himself from the foremost and fundamental drive of man. He has, quite the contrary, come much closer to it and the truth of living by being in Scientology. When one has the feeling that he has become an outsider by becoming a Scientologist, he has the tendency not to use the civilization or its processes themselves in carrying forward his course of existence.

A member or certified auditor, being himself a saner and more civilized person and being closer to the actual goals of government and society, which are, of course, in any actually civilized land the betterment of that society, has more right to use the government and activity lines of a people than those who would do less by their fellows. In other words, a member of the HASI or a trained Scientologist has full and complete rights to utilize whatever governmental facilities, licensing agencies, institutions, courts, police, legislations and communication lines there are in that society. A member or trained auditor confronted by

disagreement from specialized interest finds himself confronted by people who would like a member or trained auditor to believe that they, not he, represent the legal side of the society. This is not true.

The person with the purer intent represents the civilized side of the society, not the person who exists solely for vested interest or personal gain. Remember that courts of law, officers of the law, institutions, regulations, legislatures, congresses, are more yours than they belong to your opponent. A Scientologist is no outlaw in a society, but is the catalyst of that society, and as such he may and should use every facility that society possesses to pull itself up to higher levels of beingness. In other words, if a Scientologist finds somebody doing wrong in the field of healing, he has the full and complete right to use any and all police courts, legislation, to right that wrong.

The HASI exists to back up any such move made. Remember, the HASI does not exist to punish communication and action, but to further it. When it cuts communication lines, it is not cutting any SCIENTOLOGY communication lines.

America was civilized by a militant ministry, and when that ministry ceased to be militant we saw on every hand the decay and decline of civil government. We saw a rise of crime and a lowering of public morals. Most churches in Western civilization hold that civil government has been convened and authorized by a divine source, and that civil government only exists by reason of that source, and that civil government is only valid because of divine source and that the members of these congregations follow civil government only so long as it does not controvert any part of the words of Jesus Christ as declared in the New Testament. In other words, these churches conceive themselves to be a higher entity than civil government. We do not declare this for Scientology, only insofar as it is the custom of religious organizations, but we do declare that the Scientologist, having a purer intent, has a better right to the use of civil government processes than those who exist for more base purposes.

Scientology exists to further and better the government of people and believes in the principles of democracy, the Magna Carta, the Constitution of the United States and also the Bill of Rights. And it believes that civil government should be dedicated to the government of the people, that it should not exist for graft, that it should not be used by individuals for personal enrichment, that its courts must be just and that its law must be for the greater good of the greater number of people.

Scientology was selflessly created and composed. It would have been easy to have made millions or even billions from its creation. It would be easy for an auditor, by narrowing his processing to the rich, to maintain himself in affluence and luxury. Scientology could only have been conceived if one had no desire for personal gain or aggrandizement. The authorship of Scientology is publicly known solely because that was the only way Scientology could be protected in its formative years. It would best have been conceived from a complete obscurity, but the controls necessary for its proper practice and dissemination would not then have been possible. For every time it has been "turned loose" it has become enturbulated.

The endless ages and a higher authority have continuously operated in the formulation and the purposes of Scientology.

It is necessary for the HASI to release to its membership and its auditors all the information which is known. The reason for this lies in the fact that Western civilization is becoming more and more enturbulated and its communication lines are being cut. A disastrous result could occur in an atomic war if the materials of Scientology were not broadly held. Furthermore, it would be dangerous for the materials of Scientology to be monopolized in one area. A Doctor of Scientology, holding the materials of Scientology for the training of persons up to certified level, may occasionally find it embarrassing to discover that one student or another has already examined all the materials. But it will not be embarrassing to that Doctor of Scientology the moment he starts to actually train such a person into the uses of Scientology. For people have to be trained into Scientology. We have yet to find one person who was not so trained who was expert in it, and we have found only those persons who were long and arduously trained could obtain the results contained in it.

9. HASI TO TRAINED SCIENTOLOGIST

The professional auditor is given specific information of a highly technical nature through the *Professional Auditor's Bulletins,* through the circulation of tapes, and on occasion by personal letter from the HASI. Additionally, auditors who have not been trained up to a level where they can achieve uniformly good results are given specialized training courses at reduced fees by Doctors of Scientology and by the HASI.

Many data of organizational nature are circulated to trained Scientologists which are not circulated to the general membership.

10. HASI TO THE GENERAL PUBLIC

It would be the rare occasion, no matter what the substance, for the HASI to release to the general public through the public presses and magazines of the country any information of any kind whatsoever about anything.

The HASI is not a secret organization, and the materials it has to hand are not secret materials, but it has been discovered in five years that the general level of the public press is such that it interviews with a preformed conclusion, and might as well have written the story before it did the interview. Several such interviews granted in the recent months have resulted in no story being written, for that was the way the reporter was handled. He had come to write anything sensational or bad as ordered by his editor, and he found himself confronting programs and activities which he became afraid to slander. In such cases, interviews were granted in order to stop stories, not to give them out. In all the thousands of articles published on Dianetics and Scientology, only three or four published in minor publications gave anything like true rendition of the subjects or their activities. The stories were preconceived before interview. Therefore, all the interview could do was to convince the person he couldn't write the story he had planned to write, and so that prevented him from writing any story at all.

In other words, the moment a reporter discovered that he could not write a bad story, he did not want to write any story. And this applies to reporters who are "friendly," who promise faithfully all good intent and good press, and who have even been processed successfully. They wrote knowingly inaccurate libel, whatever they said.

If this is the general intent of the public press, then it is our experience that interviews are better forgotten and that press releases should not be engaged upon and that reporters should not be granted interviews, whatever they promise. Dianetics and Scientology would have made far more progress had there been no single word about them in the public presses.

Newspapers, magazines, do not represent public opinion and are not the formative agencies of the public. The only time they become formative agencies in public opinion is when they express something bad badly enough to completely blacken a person or an action. Then the public will become alert and cease to have anything to do with that person or action. It could be said about the modern press that if they were to know for certain that there existed newly discovered an immediate cure for every case of polio in the world, they would mention it somewhere inside the paper, in small print. But that if one doctor in examining one polio case made an error in its handling, then the incident would receive headlines.

The motto of the press is "it is all bad over there." Although several commentators of international repute have, from time to time, given Dianetics and Scientology and LRH a resounding pat on the back, these comments have been completely lost in an avalanche of misinformed and inaccurate material appearing in the press.

Any auditor will find it so. The mere fact that somebody is trying to do something for the good of the society is sufficient to bring the modern press down upon him, according to our experience. For example, the other day an auditor performed a miracle the Pope himself would have been proud to own. A child had died, was dead, had been pronounced dead by a doctor, and the auditor, by calling the thetan back and ordering him to take over the body again, brought the child to life. The child had died because it felt it was not wanted by its parents.

The public presses knew about this—they did not care to remark upon it. In another place not too long ago, a Scientologist who had been a Justice of the Peace used, when he opened up a practice, JP after his name, and there were four columns of critical and blasting print about that auditor and about Scientology.

The public at large does not think this way. That is one of the reasons why newspapers today aren't being read to the degree that they were. Probably only the funny papers keep them being sold at all.

The HASI is very alert to the fact that word of mouth and actual Scientology publications are the only accurate or decent dissemination Scientology or its organizations will receive within the general public.

Scientology programs, then, are based solidly and entirely upon the production of results with Scientology upon people in the general public. If this policy is understood, then the actions of the HASI in handling situations or organizations can be much better understood.

At this writing an HASI clinic in City "A" has been closed while an HASI representative conducts there refresher courses. It was not that the clinic was entirely insolvent. It was barely breaking even. But it was noticed that the number of people coming to it was reducing week to week. Originally the clinic had been

opened to demonstrate to the public by a series of solved cases that Scientology worked. Therefore an examination of cases was quietly undertaken by the HASI and it was discovered that the auditing being done in the City "A" clinic was not as good as it should have been. The immediate result of this, of course, was for the clinic to have fewer and fewer people calling. Therefore this was not acting as a public dissemination line and that was all it was there for.

An able auditor of the HASI was immediately despatched to improve the training in general in City "A" and to conduct specifically an arduous and exacting course of training on a few select auditors there. When these have been trained, graduated, and have had some experience, some of their number will be used in a reopened City "A" clinic. And these practicing in that clinic will send out into the public people who know that Scientology has gotten results upon them.

The entire dependence of the HASI is upon good results in the public. Through an affiliated organization a test city operation was recently begun in the United States. Only one mailing, if a large one, was released to the public. Free processing was to be given every weekend by this organization. These free processing groups began immediately and systematically to grow, and the people who came to them stayed on and have remained week after week, more and more progressively in favor of Scientology, and more and more talking about it to their friends. Now this is true gain and this can be done in any city in the United States.

The HASI, through its affiliated organizations in this test city, has begun a program of visitation whereby every institution of whatever kind in the city is being made into a "regular beat" for the ministers of this organization. These persons are equipped with a small amount of literature and a very large amount of willingness to help. As they visit people in these institutions, these hospitals, these homes, the public at large will become more and more aware of Scientology.

The policy on which the HASI operates is that it trains and equips members and auditors, and provides them with the example of results and then assists them in going forth to produce results upon the public. The communication line of the HASI to the general public is one of result, and that is the only way we feel that Scientology will make progress. No other way produces any lasting result.

Our policy then is to produce and assist auditors and to hold them secure in their professions and to aid them in every possible way to go out into the society and produce results.

Beyond the general message contained under sections 1 and 2 of this article, we do not expect ministers to preach about Scientology, we expect them to use Scientology. We expect them to secure with what they can do, congregations and groups which are part of the affiliated organizations of the HASI, to support their endeavors by such groups and individual processing, and to process and give programs of public betterment to these groups, and to bring the more able members of these groups into higher technical understanding of Scientology and so make out of them members or auditors of the HASI. And by thus creating more able people to give Scientology an excellent word-of-mouth communication line to the public at large.

Visiting institutions, hospitals, schools, attending and becoming part of civic functions, by direct mailings, we assist our people to accumulate groups and congregations and, by thus accumulating such groups and congregations and by processing, to give them a higher understanding, better health, to so reach wider and wider into civilization. In announcing its policies to the general public through direct mailings and through its auditors, the HASI makes available such materials as those contained in this manual, except for this general communication plan, in the hope that a better civilization will result.

Until man has a clear, bold understanding of what man is and has a science of humanity, we will continue to fight and punish and misgovern, and it will get worse than it is unless somebody takes some responsibility. Scientologists are taking that responsibility. We know this can be a better, saner world.

It is not the purpose of the HASI or its affiliated organizations to overthrow or destroy by violence any group or government in the world. It is hoped by the HASI that a higher understanding will result in a higher and better civilization which will not have to have recourse to violence and war for the settlement of its disputes. A civilization in which disease and insanity are viewed as suboptimum rather than normal and a civilization which holds that a civilized man is one that is his soul and that a man who holds himself to be a body and to have no soul is an animal.

In keeping with this program, the HASI issues books intended for use by the general public and to interest them in the goals which man in the many ages past has envisioned for man. It is possible now. But not unless we go about it in a sane and orderly fashion ourselves. That is the reason for our organizations and communications plans.

L. RON HUBBARD
Founder

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of _____, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is _____

_____.

On August 26, 1994, I served the foregoing document described as CHURCH OF SCIENTOLOGY INTERNATIONAL'S EVIDENCE IN SUPPORT OF MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO GERALD ARMSTRONG'S MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR SUMMARY ADJUDICATION OF ISSUES on interested parties in this action,

[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

[X] by placing [] the original [X] true copies thereof in sealed envelopes addressed as follows:

FORD GREENE
HUB Law Offices
711 Sir Francis Drake Blvd.
San Anselmo, CA 94960-1949

MICHAEL WALTON
700 Larkspur Landing Circle
Suite 120
Larkspur, CA 94939

[] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

Executed on August 26, 1994, at Los Angeles, California.

[X] **(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressees.

[]** Such envelopes were hand delivered by Messenger Service

Executed on August 26, 1994, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

_____ _____

Print or Type Name Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

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